STATE OF WYOMING

## WORKING DRAFT

HOUSE BILL NO.

Wyoming workforce housing infrastructure program.

Sponsored by: Joint Minerals, Business and Economic Development Interim Committee

## A BILL

## for

1 AN ACT relating to economic development; establishing a program to provide funding for cities, towns, counties, 2 3 special improvement districts and joint powers boards for workforce housing infrastructure and community land trusts; 4 5 establishing an account; providing for administration of the program and account; providing rulemaking authority; 6 requiring reports; authorizing a position; providing for a 7 continuous appropriation and making other appropriations; 8 9 and providing for effective dates.

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11 Be It Enacted by the Legislature of the State of Wyoming: 12

13 Section 1. W.S. 9-12-901 through 9-12-905 are created 14 to read:

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ARTICLE 9 1 2 WORKFORCE HOUSING INFRASTRUCTURE PROGRAM 3 4 ARTICLE 9 - COMMUNITY WORKFORCE HOUSING PROGRAM 5 9-12-901. Wyoming workforce housing infrastructure 6 7 program; purpose; definitions. 8 9 (a) It is declared that: 10 11 (i) There is in this state by reason of the 12 location and expansion of mineral extractive industries and 13 other industrial developments, a critical shortage of adequate housing; 14 15 16 (ii) It is in the public interest of the citizens of this state to facilitate the provision of adequate 17 housing in order to promote the economic welfare of the 18 and its residents by increasing employment, 19 state 20 stimulating economic activity, augmenting sources of tax 21 revenue, fostering economic stability, furthering health 22 care and improving the balance of the state's economy; 23 24 (iii) It is the purpose of this article to

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promote and continue economic development by providing 1 2 adequate housing necessary to create additional economic 3 health and a stronger state economy; 4 5 (iv) This article constitutes a valid public purpose, of primary benefit to all citizens of the state of 6 7 Wyoming. 8 9 (b) As used in this article: 10 11 "Community land trust" means land held in (i) 12 trust as a public investment for the long-term benefit of a community to provide secure, affordable access to land and 13 housing for community residents; 14 15 16 (ii) "Community development organization" means as defined by W.S. 9-12-301(a)(ii); 17 18 19 (iii) "State development organization" means as 20 defined by W.S. 9-12-301(a)(iv); 21 22 "Workforce housing infrastructure" means (iv) publicly owned infrastructure to a housing subdivision or 23

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1 development, and if determined by the council to be 2 consistent with the purposes of this article, through a 3 housing subdivision or development. To be considered 4 "workforce housing infrastructure" under this article, the 5 infrastructure shall be for a housing subdivision or development for which the political subdivision making 6 7 application under this article has required, through zoning or otherwise, the inclusion of a specified percentage or 8 9 number of housing units at specified maximum initial sale 10 prices or to have a specified maximum square footage: 11 "Workforce housing infrastructure" includes: 12 (A) 13 14 (I) Rights of way; 15 16 Sewer and water distribution projects; (II) 17 18 (III) Storm water control and drainage facilities; 19 20 21 (IV) Streets, roads and bridges; 22 (V) Curbs, gutters and sidewalks; 23 24

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1	(VI) Lift stations;
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3	(VII) Traffic signals;
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5	(VIII) Street lighting;
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7	(IX) Payment for the additional costs of
8	over-sizing water and sewer distribution lines through or
9	to a subdivision to accommodate future expansion;
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11	(X) The purchase of land as necessary to
12	accommodate infrastructure projects;
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14	(XI) Other infrastructure determined by the
15	council to be consistent with the purposes of this article.
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17	(B) "Workforce housing infrastructure" shall not
18	include:
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20	(I) Bringing public infrastructure to
21	existing housing which is supplied by a well or uses a
22	septic system;
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24	(II) Refinancing of existing projects that

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1 have been financed previously with other resources; 2 3 (III) Financing any project eligible under 4 the Wyoming water development program established by W.S. 5 41-2-112 through 41-2-124; 6 7 (IV) Financing any project that does not provide for the construction of additional housing units or 8 9 that involves rehabilitation or expansion of existing 10 infrastructure unless the council determines the 11 rehabilitation or expansion is necessary to meet the 12 purposes of this article; 13 14 (V) Financing any infrastructure project which is not under public ownership. 15 16 17 9-12-902. Wyoming workforce housing infrastructure 18 program; creation; rulemaking. 19 20 The council shall establish and administer a (a) 21 Wyoming workforce housing infrastructure program as 22 provided by this article. Any city, town, county or special improvement district may submit an application to 23 the council for a grant or loan under the program on forms 24

1 prescribed by and subject to rules promulgated by the 2 council. Grants or loans may be applied for by a joint 3 powers board with the approval of all participating agencies to the joint powers agreement. Grants and loans 4 5 may be made by the council for workforce housing infrastructure projects and community land trust projects. 6 In adopting rules and making grants and loans under this 7 article the council shall require all projects to be 8 9 related to workforce housing infrastructure or community 10 land trusts.

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12 Grants may be matching grants as determined by (b) 13 the council. Loans may be made at no or low interest rates. The council shall establish criteria for determining the 14 maximum grant and loan amounts and for determining grant, 15 16 loan or grant and loan combinations, subject to final 17 approval by the state loan and investment board.

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(c) Grants or loans shall be made under this article, 19 20 only if the applicant demonstrates that upon receipt of the 21 grant or loan, all projected project costs will be funded. 22 Grants or loans for one (1) project may not exceed a maximum annual amount established by rule of the council. 23 24 Multi-year projects may be awarded up to the maximum annual

1 amount each year, for a period not to exceed three (3) years, as approved by the state loan and investment board. 2 3 The application shall identify the source of all funds to 4 be used for the project.

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Grants or loans may be used to fund project costs 6 (d) in accordance with approved applications and rules of the 7 council. Grant or loan funds may be used to contract with 8 9 community development organizations, state development 10 organizations and nonprofit organizations in accordance 11 the purposes of this article with and approved 12 applications.

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Loans provided under this article shall be 14 (e) adequately collateralized as determined by the council. The 15 council shall establish interest rates to be charged for 16 17 loans under the program. Interest rates shall be established in recognition of the repayment abilities and 18 needs of the local governmental entity eligible for loans 19 20 under the program. The council shall establish loan 21 amortization schedules, terms and conditions for each loan 22 approved.

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(f) No loans shall be made without the written opinion

1 of the attorney general certifying the legality of the 2 transaction and all documents connected therewith. An 3 election approving the project and borrowing for the 4 project by the qualified electors of the borrowing entity 5 shall be required only if the attorney general determines such an election is otherwise required by law. 6 7 (q) Grants, loans, loan commitments or 8 any 9 combination thereof shall be made under this article only: 10 11 (i) If there are sufficient funds in the workforce housing infrastructure program account to fully 12 13 fund it and all other outstanding commitments and loans; 14 (ii) If repayment of any loan provided by the 15 16 state is adequately collateralized. The adequacy of the 17 collateral shall be determined by the council, subject to final approval by the state loan and investment board. 18 19

20 (h) Repayments of loans under this section shall be 21 credited to the Wyoming workforce housing infrastructure 22 program account.

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24 (j) The council may charge applicants a fee to cover

1 administrative costs of the program. 2 3 (k) The council may also enter into cooperative 4 agreements with the Eastern Shoshone Tribe and the Northern 5 Arapaho Tribe in order to promote the purposes of this article. 6 7 After approval of grants and 8 (m) loans, the 9 applicants shall report to the council, as required by the 10 approved application. The report shall: 11 12 Include the progress of the project until (i) 13 the project is completed; 14 15 (ii) Include any additional information required by the council to ensure compliance with grant or loan 16 17 requirements or compliance with this article. 18 19 9-12-903. Council duties; actions on grant and loan 20 applications. 21 22 (a) All complete applications to participate in the program established under this article, which conform with 23 the criteria established by law and rules promulgated under 24 10

as

this article, which are submitted to the council shall be 1 2 considered by the council. The council shall approve or 3 disapprove each application considered in accordance with 4 this article and rules promulgated by the council. All 5 grants, loans or cooperative agreements made under this article shall be referred by the council to the state loan 6 7 and investment board for final approval or disapproval. The state loan and investment board may adopt rules 8 9 necessary to implement its duties under this article.

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11 (b) In adopting rules and making funds available 12 under this article, the council shall provide a competitive application and scoring system adequate to measure the 13 benefits of each application. The application scoring 14 system shall target the projects based on ranking criteria 15 16 which addresses:

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18 The need for the proposed housing; (i) 19

20 (ii) The affordability of the proposed housing; 21 22 (iii) The number of additional housing units to

23 be developed;

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1	(iv) The extent to which the project is part of
2	an overall community and economic development plan;
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4	(v) The extent to which the project demonstrates
5	readiness;
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7	(vi) Any other criteria determined by the
8	council to be consistent with the purposes of this article.
10 11 12 13 14 15 16 17	Again, this was retained from an earlier draft. The involvement of the community was deleted from that draft because it was unclear whether that meant financial involvement, and if so if the subcommittee intended to treat communities differently based upon the amount of financial involvement of the community in the project.
18	(c) The council may negotiate and enter into
19	appropriate contracts or memoranda of understanding with
20	Wyoming state agencies, authorities or instrumentalities as
21	necessary or convenient to facilitate the council's duties
22	under this article.
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	9-12-904. Community land trusts; eligibility;
24	9-12-904. Community land trusts; eligibility; requirements.

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Grants or loans made under this article for 1 (a) 2 community land trusts shall require in addition to meeting 3 other requirements of this article: 4 5 (i) The land subject of the trust be owned or leased by a political subdivision of the state, including a 6 city, town, county, special improvement district or a 7

housing authority authorized under W.S. 15-10-116; 8

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10 (ii) The land be used for workforce housing with 11 lots for housing leased and with the political subdivision 12 remaining the owner of the land or the primary lessee; 13

14 (iii) The leases of lots be upon such terms as to allow commercial lenders to lend funds for housing 15 16 construction on terms comparable to housing built on fee 17 owned lands;

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19 (iv) The housing development on lands subject to 20 the trust include a specified percentage or number of 21 housing units at specified maximum initial sale prices or 22 be required to have a specified maximum square footage as required by the political subdivision making application 23 24 under this article, through zoning or otherwise;

(v) That the lease terms for housing constructed
on the land subject to the trust provide for continuation
of the initial long term community benefit through
subsequent sales of the housing.
(b) The political subdivision owning or leasing the

8 land subject to the community land trust may fulfill the 9 requirements of this section directly, through a housing 10 authority created pursuant to W.S. 15-10-116, or by 11 agreement with private nonprofit entities.

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13 9-12-905. Wyoming workforce housing infrastructure 14 program account.

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16 (a) There is created the workforce housing 17 infrastructure program account. Funds shall be credited to 18 the account as provided by law. Funds in the account are 19 continuously appropriated to the council to be used only 20 for cooperative agreements, grants or loans authorized to 21 be made under this article.

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(b) Interest and repayments of principal on loansunder this article shall be redeposited into the workforce

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1 housing infrastructure program account. 2 3 (c) Funds and accrued interest on unexpended funds 4 within the account shall be credited to the workforce 5 housing infrastructure program account. 6 7 Section 2. W.S. 9-12-102(a) (viii), 9-12-112(a) by creating a new paragraph (v) and 9-12-307 are amended to 8 9 read: 10 9-12-102. Definitions. 11 12 13 (a) As used in this act, the following terms have the 14 following meanings, except where the context clearly indicates otherwise: 15 16 17 (viii) "This act" means W.S. 9-12-101 through 18 <del>9-12-804</del>9-12-905. 19 20 9-12-112. Annual report and budget. 21 22 (a) The council shall submit an annual report in the manner provided by W.S. 9-2-1014 and using the benchmarks 23 prescribed in this act. In addition to the requirements of 24

W.S. 9-2-1014, included within the annual report shall be: 1 2 3 (v) A summary of the total investments made by 4 the council under the workforce housing infrastructure 5 program under W.S. 9-12-901 through 9-12-905, including: 6 7 (A) The name of each grantee or borrower 8 and the amount of each grant or loan; 9 10 (B) An evaluation of the grant or loan 11 success in providing workforce housing infrastructure; 12 13 (C) The cost of the program to the people 14 of Wyoming in terms of administrative and other costs 15 associated with the program. 16 17 9-12-307. Penalty. 18 Any person who knowingly makes a false statement to the 19 20 council in connection with an application under this 21 article or article 9 of this chapter or who violates W.S. 22 9-12-302(c) is quilty of a felony punishable by imprisonment for not more than two (2) years, a fine of not 23 more than two thousand dollars (\$2,000.00), or both. 24

## 2 Section 3.

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4 (a) There is appropriated from the budget reserve
5 account to the Wyoming workforce housing infrastructure
6 program account created by W.S. 9-12-904, xxxxxx dollars.
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(b) There is authorized YYYYYY position to the 8 9 business council for the purpose of implementing this act. 10 There is appropriated from the general fund to the council zzzzzzz dollars or as much thereof as is necessary to fund 11 12 this position to through the fiscal biennium ending June 13 30, 2007. A request of 2zzz dollars () from the general fund shall be included in the business council's 2009-2010 14 biennium standard budget request for purposes of continuing 15 16 funding of this position.

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18 Section 4. The Wyoming business council and the state 19 land and investment board may commence rulemaking 20 authorized under section 1 of this act immediately upon the 21 effective date of this section.

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23 Section 5.

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(a) Section 4 of this act is effective immediately 1 2 upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming 3 4 Constitution. 5 6 (b) Except as provided in subsection (a) of this section, this act is effective July 1, 2007. 7

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(END)