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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/9/19  
 LAST UPDATED 2/16/19      HB 483/aHLLC

SPONSOR Schmedes

SHORT TITLE Zoning for Housing for Disabled      SB \_\_\_\_\_

ANALYST Leger

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	See Fiscal Impact	See Fiscal Impact	See Fiscal Impact	See Fiscal Impact		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Mortgage Finance Authority (MFA)  
 New Mexico Municipal League (NMML)

### SUMMARY

#### Synopsis of HLLC Amendment

The House Local Government, Land Grants & Cultural Affairs Committee amendment to House Bill 489 strikes all references of “persons” and replaces it with “family members”. Language is added specifying provisions of the subsection do not apply to rental property and defines “family member” as a person related by blood, common ancestry, marriage, guardianship or adoption.

#### Synopsis of Original Bill

House Bill 483 requires certain zoning authorities to provide a mechanism to allow additional housing for persons with disabilities in single-family zoning districts.

### FISCAL IMPLICATIONS

There is no fiscal implication for any state agency.

Some costs may be realized by local governments when amending zoning ordinances such as the requirement to establish a conditional permit process or some other mechanism to address the special circumstances that might give rise to the decision to grant a permit for a free-standing

dwelling that includes a kitchen. Not only must the procedure and mechanism be developed, but the evaluation criteria must be established. The zoning authority needs to be provided with the criteria required for granting such a permit, as well as any disqualifying criteria. The zoning authority must develop that procedure and work it into its already developed zoning process. Procedures need to be created to establish notice and hearing requirements as well as appeal requirements. It can also be assumed that an increase in revenue may be realized if permit requests increase.

## **SIGNIFICANT ISSUES**

MFA provides the following statistics according to the 2017 American Community Survey, 321,186 New Mexicans have a disability; that is 16 percent of the population of the state. Of those people, 78,508 or 24 percent have incomes below the poverty level and 131,748 or 41 percent are age 65 or over. Requiring that local governments allow accessory dwellings for people with disabilities will provide additional housing opportunities that are currently unavailable in some jurisdictions.

NMML reports single-family zoning is intended to provide comfortable housing for varying numbers of people according to the size of the residence. Single family dwellings are normally situated on lots to provide some sort of shielding form the neighbors. Adding additional structures diminishes that buffer zone and adds an increased number of people living in the area.

## **OTHER SUBSTANTIVE ISSUES**

Analysis finds the bill does not define the following, leaving some interpretations to the local governments which may not meet the intent of the bill:

- What is the definition of “adequate size,” and/or lot size requirement;
- What type of single family zoning districts will this bill apply to;
- What are the utility requirements -- municipal water system or electrical power;
- What will the waste requirements be -- municipal system or septic?

JL/sb/gb/al