

**THERE'S NO PLACE
LIKE HOME....
BECAUSE THERE'S NO PLACE
LIKE WASHINGTON!**



**SUMMARY OF WASHINGTON STATE
HOUSING-RELATED LEGISLATION
JANUARY 2018**



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

PREPARED BY THE
WASHINGTON STATE
HOUSING FINANCE COMMISSION

QUICK CONTACT LIST

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ABOUT THE WASHINGTON STATE HOUSING FINANCE COMMISSION

The Washington State Housing Finance Commission was created by the Legislature in 1983 to encourage the private sector's involvement in affordable housing development through the use of tax-exempt bonds and other financing programs.

The Commission is a self-supporting agency which achieves our social and economic objectives at no cost to the state’s taxpayers. Rather, the Commission acts as a financial conduit which, without lending the credit of the state, can provide construction and permanent financing for low- and moderate-income housing, nonprofit facilities, capital equipment, beginning farmers and ranchers, energy efficiency, and alternative-energy production within the state.

Since our formation through June 2017, the Housing Finance Commission has:

- Helped 67,319 households purchase their first home, including downpayment assistance to 28,625 households;
- Financed the construction and/or renovation of 116,313 apartments, including 3,291 units or beds for seniors;
- Helped 27 beginning farmers or ranchers in 15 counties to purchase land or equipment through loans worth \$6.2 million;
- Financed 170 community facilities owned by nonprofit organizations in 15 counties in the state.
- Financed 20 Sustainable Energy projects for \$23.6 million; and
- Provided \$15 million for 26 loans to eligible organizations to purchase land suited for the development of affordable rental housing and homeownership.
- Helped close to 370,000 people in Washington to have an affordable, safe and appropriate place to live.

INTRODUCTION

There’s No Place Like Home provides a summary of significant housing legislation, from the Legislature's authorization of public housing authorities in 1939, through reliance on federal funds, to the creation of the Washington State Housing Finance Commission, the Affordable Housing Advisory Board and the Housing Trust Fund, among other important achievements.

This is the eighth publication of *There’s No Place Like Home* to provide legislative staff, housing advocates and interested parties a quick resource to identify the many legislative actions that have impacted the ability of Washington’s citizens to live in safe, comfortable and affordable homes.

In this time of rising homelessness and sky-high housing costs across Washington, the state legislature has demonstrated extraordinary leadership and bipartisan support for solutions to the housing affordability and homelessness crisis across our state. The Washington state legislature ended the 2018 legislative session having made unprecedented and significant progress on solutions to the housing affordability and homelessness crisis in our state.

The investment the legislature has made is a giant step closer to what’s needed to actually solve this problem. The legislature signaled that they understand this and prioritized passing a package of bills that, when taken together, will have a real impact.

For all of these reasons, we present the 2018 publication of *There’s No Place Like Home.... Because There’s No Place Like Washington* for your reference purposes.

2018

\$107 million in the Biennial Capital Budget for the Housing Trust Fund.

The Housing Trust Fund builds and preserves affordable homes. It primarily serves people with the lowest incomes and those with special needs, including people with disabilities, families with children who are homeless, seniors, youth and young adults, and veterans. This investment will create approximately 3,500 affordable homes.

2018

HB 1085;

Tiny Homes

Gives local governments the authority to modify minimum floor-space requirements to accommodate innovative forms of affordable housing.

2018

HB 1169;

Enacting the student opportunity, assistance, and relief act

Establishes the student opportunity, assistance, and relief act to address student education loan debt, the repeal of statutes regarding professional license or certificate suspensions, private student loan default, and exemptions for bank account and wage garnishments.

2018

HB 1239;

Improving access to federal benefits by providing free access to medical records needed to appeal a denial to the Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) programs

People who are appealing a denial to SSI or SSDI must obtain a copy of their medical records in order to prove their disability status. Washington has the highest medical record copy fee in the country, which is prohibitive for people with low-incomes and creates a substantial barrier that prevents people from accessing federal disability benefits. This bill provides free access to those records once every two years, and will help more people access economic security.

2018

HB 1570;

Concerning access to homeless housing and assistance

Helps an additional 11,500 people who are homeless or at risk of homelessness access housing assistance and services. This is funded by a \$22 increase to a fee that is paid when real estate documents are filed, such as those signed to close on a new home purchase. This is the state’s primary source for funding homelessness services and is split between the state and counties so local communities can quickly address their most pressing needs. The increase will generate approximately \$26 million each year to fight homelessness. Additionally, this bill removes the expiration date on the fee so that communities have a permanent and reliable source of funding to reduce homelessness. Finally, the bill fixes a problem created in 2014 which mandated 45% of all state dollars be used on rental assistance solely on the for-profit rental market. Now, state funded

rental assistance can also be used in nonprofit housing geared toward serving people exiting homelessness who may have multiple barriers to securing for-profit housing.

2018

HB 1831;

Improving housing stability of people experiencing financial hardships by expanding access to public assistance programs by updating asset limits

This bill allows people to keep a greater portion of their resources and still be eligible for public assistance (like the Housing and Essential Needs and Temporary Assistance for Needy Families programs). It will prevent people from having to sell a reliable car that lets them get to work or to the doctor, and lets them maintain a greater amount in savings to better weather a financial emergency.

2018

HB 2057;

Concerning services and processes available when residential real property is abandoned or in foreclosure

Modifies provisions relating to non-judicial foreclosures, required beneficiary remittances, notice of pre-foreclosure for residential reverse mortgages, and a process for when residential real property is determined by a local government to be abandoned, in mid-foreclosure, and a nuisance.

2018

HB 2261;

Contributions to Housing Authorities

Clarifies that local governments can make monetary and in-kind contributions to housing authorities so long as contributions aren’t used to pay staff salaries.

2018

HB 2382;

Promoting the use of surplus public property for affordable homes.

In many Washington communities, the cost of land has a significant impact on the ability to create homes affordable to people with low incomes. This is especially true in high cost areas like the Puget Sound region. This bill makes it easier to transfer underutilized public property so it can be used for affordable homes.

2018

HB 2444;

Clarifying a real estate excise tax exemption for homes built with Low Income Housing Tax Credits

Affordable homes built with federal Low Income Housing Tax Credits go through a transfer of ownership when the for-profit investor exits the partnership, usually 15 years after the homes are built. No cash is involved in this ownership transfer, but without this clarification, nonprofit organizations could be taxed on this transfer at a significant amount. This bill requires the state to

continue the current practice of not charging the Real Estate Excise Tax for an additional 17 years which allows nonprofit housing providers to keep those resources for providing affordable housing and services in their communities.

2018

HB 2538;

Impact Fee Exemption

Exempts homelessness and domestic violence shelters from impact fees.

2018

HB 2578;

Banning source of income discrimination

After more than a decade of advocacy, when this bill goes into effect, landlords will no longer be allowed to refuse to rent to someone just because they use rental or income assistance to help pay the rent. The bill also creates a mitigation fund to reimburse landlords for improvements necessary to rent to households with certain housing assistance, and provides landlords access to funds if there are damages beyond normal wear and tear. The mitigation fund includes important consumer protections for tenants, including prohibiting landlords from taking legal action against a tenant if they have received reimbursement from the mitigation fund.

2018

HB 2667;

Preventing homelessness by expanding access to the Housing and Essential Needs Program

Before this bill’s passage, people with permanent disabilities and people whose primary disability is a substance use disorder were ineligible for Housing and Essential Needs (HEN) rental assistance. This causes people with disabilities to become homeless. This bill fixes that by allowing people with permanent disabilities to retain their housing assistance while they apply for federal disability benefits.

2018

SB 5143;

Concerning the exemption of property taxes for nonprofit homeownership development

Provides a property tax exemption for real property owned by a nonprofit entity for the purpose of developing or redeveloping one or more residences on the real property to be sold to low-income households, including the land on which a dwelling unit stands. Expires January 1, 2038.

2018

SB 6029;

Establishing a student loan bill of rights

Requires the student achievement council to designate a student loan advocate within the office of student financial assistance to provide timely assistance to a student education loan borrower with a

student education loan. Requires the director of the department of financial institutions to establish fees sufficient to cover the costs of administering the department's program for student education loan servicers and the student achievement council's student loan advocate. Requires the state institute for public policy to conduct a study on student loan authorities that refinance existing federal and private undergraduate and graduate student loans from the proceeds of tax-exempt bonds. Creates the student loan advocate account. Requires the state treasurer, beginning in the 2020-2021 fiscal year, to annually transfer from the financial services regulation fund to the student loan advocate account, the greater of one hundred seventy-five thousand dollars or twenty percent of the annual assessment derived from student education loan servicing.

2018

SB 6371;

Raise the Washington State Housing Finance Commission’s debt limit from \$6 Billion to \$8 Billion

This bill allows The Commission to continue to finance affordable housing in our State, particularly multifamily apartments and senior housing. By increasing the debt limit under SB 6371, The Commission is able to operate another two to four years, depending on demand, to continue to finance desperately needed affordable housing.

2018

SB 6560;

Youth Discharged into Homelessness

Directs Department of Children, Youth, and Families and The Office of Homeless Youth to develop a plan to ensure that no unaccompanied youth is discharged from a public funded system of care into homelessness. Also requires Department of Licensing to issue an identicard to every youth scheduled for release from juvenile rehabilitation (absolutely essential to receive public services, housing and etcetera).

2017

HB 1616;

Clarifying the type of land eligible for purchase under the affordable housing land acquisition revolving loan fund program

The type of allowable land that loans may be made for, under the Affordable Housing Land Acquisition Revolving Loan Fund Program, is expanded to include vacant or improved land.

2017

HB 1467;

Regards the formation of regional fire protection service authorities and exempts certain affordable housing providers and nonprofits from fire benefit charges

Properties Exempt from Benefit Charges–Regional Fire Protection Service Authorities and Fire Districts. For both RFAs and fire districts, certain tax-exempt properties of the following entities are not subject to a benefit charge: housing authorities; nonprofit entities that provide rental housing for very low-income households or space for placement of a mobile home for a very low-income

household; nonprofit homes for the aging; nonprofit organizations, corporations, or associations that provide housing for persons with developmental disabilities; nonprofit organizations providing emergency transitional housing for low-income homeless persons or victims of domestic violence who are homeless for personal safety reasons; the state Housing Finance Commission; and nonprofit corporations operating sheltered workshops for persons with disabilities.

2017

HB 1641;

Concerning informed consent for nonemergency, outpatient, primary health care services for unaccompanied homeless youth under the federal McKinney-Vento homeless assistance act

A school nurse, school counselor, or homeless student liaison are authorized to provide consent for health care for a homeless student under the following conditions:

Consent is necessary for nonemergency outpatient primary care services, including physical examinations, vision examinations and eyeglasses, dental examinations, hearing examinations and hearing aids, immunizations, treatments for illnesses and conditions, and routine follow-up care customarily provided by a health care provider in an outpatient setting, excluding elective surgeries; The patient meets the definition of a homeless child or youth under the federal McKinney-Vento Homeless Assistance Act, which is aimed at addressing the problems that homeless children and youth have faced in enrolling, attending, and succeeding in school; The patient is not under the supervision or control of a parent, custodian, or legal guardian and is not in the care and custody of the Department of Social and Health Services.

2017

HB 1867;

Improving transitions in extended foster care to increase housing stability for foster youth

The Department of Social Health Services must allow youth who have received extended foster care services to reenter the program once through a voluntary placement agreement when he or she meets the criteria again. Individuals who are eligible for extended foster care services may unroll and reenroll in extended foster care once between ages 18 and 21. The Washington Institute for Public Policy (WSIPP) must conduct a study measuring the outcomes for youth who have received extended foster care services. The study must include: (1) measurements of any savings; (2) an outcome comparison for youth who have received extended foster care and those who aged out of foster care; and (3) a comparison of other state extended foster care programs. The WSIPP must issue a report containing its preliminary findings to the Legislature by December 1, 2018, and a final report by December 1, 2019

2017

SB 2138;

Concerning tax relief for the construction of adapted housing for disabled veterans

Charges for the labor and materials purchased for the construction of adapted housing for disabled veterans are exempt from state sales and use tax, up to a project maximum of \$2,500. The

exemption is available as a remittance through the Department of Revenue. The total amount of exemptions is limited to \$125,000 annually. Qualifying adapted housing projects are those that have been approved by the VA as part of the SAH or SHA grant programs.

"Eligible purchasers" are the veterans who have received grants under these programs. The tax preference is categorized as one intended to provide tax relief for certain individuals. The preference has an automatic 10-year expiration date.

2017

SB 5077;

Allowing the department of corrections to provide temporary housing assistance to individuals being released from the Washington corrections center for women

Within existing funds, DOC may provide rental vouchers for a period up to three months to any person discharged from Washington Corrections Center for Women or the Mission Creek Corrections Center for Women if the assistance will support the person's release into the community.

2017

SB 5647;

Creating a low-income home rehabilitation revolving loan program

Under the Program, rural homeowners who earn less than 200 percent of the Federal Poverty Level (FPL) would be eligible for a loan for the purpose of home rehabilitation. Senior citizens, persons with disabilities, families with children under the age of five, and veterans have priority for a loan under the Program. The cost of the home rehabilitation must be lesser of 80 percent of the assessed value of the home or \$40,000, whichever is less. This amount is the most that can be loaned under the Program. All loans against the property, including the home rehabilitation loan, cannot exceed 80 percent of the assessed value of the property.

Participating homeowners defer repayment of the loan principal, interest, and any fees related to the loan. The interest rate of the loan must be equal to the previous calendar year's annual average consumer price index compiled by the Bureau of Labor Statistics, U.S. Department of Labor. Any amounts deferred become a lien in favor of the state.

2017

SHB 1816;

Concerning information sharing related to implementation of the homeless youth prevention and protection act of 2015

The Department of Social Health Services (DSHS) may disclose confidential child welfare records for youth in foster care to the Department of Commerce (COM) and its contracted providers. Records may be disclosed for the purpose of ensuring the safety and welfare of foster youth who are admitted to Crisis Residential Centers (CRCs) and HOPE centers under contract with the Office. Records used for these purposes must remain confidential and may not be disclosed further by the COM and its contractors.

The requirement for a HOPE center administrator to accompany a resident leaving the HOPE center to attend school or other necessary appointments is removed. Approval by the DSHS for payment for a HOPE center bed for a dependent youth is no longer required. The DSHS, rather than the COM, is authorized to file a petition in juvenile court for a child in need of services.

2016

EHB 2971;

Addressing real estate as it concerns the local government authority in the use of real estate excise tax revenues and regulating real estate transactions

Cities and counties that have adopted an ordinance, resolution or policy imposing certain requirements on landlords or sellers, prior to June 9, 2016, rather than prior to September 26, 2015, must provide, within 90 days a summary of the ordinance, resolution or policy to be posted with the Municipal Research and Services Center (MRSC). In addition to the summary, a link to the actual ordinance, resolution or policy must also be posted, or the relevant portion of the ordinance, resolution or policy. The MRSC must comply with the new posting requirement.

2016

3SHB 1682;

Improving educational outcomes for homeless students through increased in-school guidance supports, housing stability, and identification services

Subject to funds appropriated, the Office of Superintendent of Public Instruction (OSPI) is tasked with creating a competitive grant process to evaluate and award state-funded grants to school districts to pilot increased identification of homeless students and capacity of the districts to provide support. Commerce, in consultation with OSPI, is charged with administering a grand program that links homeless students, their families, and unaccompanied homeless students. In addition, a school nurse, counselor or homeless student liaison is authorized to provide consent for healthcare for a homeless student for nonemergency outpatient care services if the student is not under supervision of a parent or legal guardian.

2016

4SHB 1999;

Coordinating services and programs for foster youth in order to improve educational outcomes

The Department of Social and Health Services (DSHS) must contract with at least one nongovernmental entity that has demonstrated success in working with dependent youth in improving educational outcomes. The nongovernmental entity must:

- administer a program of educational coordination for dependent youth in WA from birth to twelfth grade;
- engage in a public-private partnership with the DSHS;
- raise a portion of the funds needed for service delivery, administration, and evaluation;
- provide services to support individual youth upon a referral by a social worker with the DSHS or nongovernmental agency;
- be co-located in the offices of the DSHS to provide timely consultation and in-service training; and report outcomes to the DSHS twice per year.

2016

SHB 2876;

Addressing the foreclosure of deeds of trust

The Foreclosure Fairness Program (Program) was established and a variety of agencies have set roles and responsibilities – they are: The Department of Commerce (Commerce) is charge with the overall development and Management of the Program. 17 percent of monies (from secured deeds trust from most loan obligations) to be used by Commerce to be used for implantation and operation of the Act. The Washington State Housing Finance Commission administers the homeowner counseling program and oversees a toll-free hotline where homeowners in need receive free foreclosure prevention counseling. The Department of Financial Institutions conducts homeowner pre-purchase and post-purchase outreach and educational programs and raising public awareness of the services offered. The Office of the Attorney General Consumer Protection Division investigated consumer protection complaints and enforces deed of trust foreclosure laws. The Office of Civil Legal Aid contract with qualified legal aid programs to provide free legal assistance to low-income and moderate-income homeowners.

2016

SSB 6211;

Concerning the exemption of property taxes for nonprofit homeownership development

Real Property owned by a nonprofit entity for the purpose of developing or redeveloping one or more residences to be sold to low-income households is exempt from property taxes. Low-income household means a single person, family, or unrelated persons living together whose adjusted income is less than 80 percent of the median family income. These changes apply to taxes levied in 2016 for collection in 2017 and thereafter. This tax preference expire 10 years after its enactment.

2016

SSB 6337;

Disposing tax foreclosed property to cities for affordable housing purposes

Prior to disposing of tax-foreclosed property, the county legislative authority gives notice to any city in which any tax foreclosed property is location within 60 days of acquiring the property. This notice must offer the city the opportunity to purchase property for the original minimum bid under RCW 84.64.080 plus any direct costs incurred by t the county in the sale.

2016

SSB 6342;

Concerning private activity bond allocation

The bond cap allocation for housing is increased to 42 percent and the bond cap for student loans is decreased to 5 percent. In any calendar year for which no allocation for student loan bonds has been granted by February 1 of that year, the entire initial allocation for student loans may be reallocated to housing at that time. Time periods are adjusted for Commerce to submit biennial reports summarizing the usage of bond allocation proceeds and policy concerns for future bond allocations.

2016

ESB 6413;

Modifying residential landlord-tenant act provisions relating to tenant screening, evictions and refunds

Prior to screening a prospective tenant, and in order to charge the prospective tenant for that screening, the prospective landlord must notify the prospective tenant in writing as to whether or not the landlord will accept a comprehensive reusable tenant screening report made available to the landlord by a consumer reporting agency. If the landlord accepts such a report, the landlord may still access his or her own tenant screening report, but may not charge the prospective tenant for that report.

The 2015 Housing Needs Assessment: A Clearer Picture of Housing in Washington

In 2014, the Affordable Housing Advisory Board (AHAB), with the support of other private and public organizations interested in affordable housing, conducted the first affordable-housing needs assessment in more than 12 years. AHAB’s purpose was to create an unbiased accounting of housing affordability in Washington. The assessment, being distributed in early 2015, is meant to serve as a foundation for current and future policy discussions across the state.

Findings:

- Thirty-six percent (936,260) of Washington’s households are cost burdened, paying more than 30% of their income for housing-related expenses.
- Over 390,000 households (15.2%) are severely cost burdened, paying more than 50% of their income for housing-related expenses.
- Every county in Washington has affordability problems, but they vary greatly by region.
- For example, the minimum annual income required to afford the fair-market rent for a three bedroom apartment ranged from \$31,360 in Ferry County to \$62,040 in King County.
- The private-sector housing market does provide some affordable housing; 61.5% of owner-occupied housing units across the state are affordable to a household earning the median family income.
- However, to afford to purchase the median-cost home, the annual income ranged from \$37,310 in Garfield County to \$107,206 in San Juan County.
- Washington has a very productive and effective subsidized housing industry that has produced more than 118,706 units of subsidized rental housing over the past 30 years using local, state, federal and private capital funds. In addition, 40,419 tenant-based rent vouchers are in circulation across the state. Finally, at least 50,000 low- and moderate-income households have purchased their first-home with local, state and federal assistance during the same period.
- The affordability gap for the lowest income households (under 50% of adjusted median income) is shrinking, but very slowly. The gap is expected to shrink from 45 units per 100 households in 2012 to 41 per 100 households in 2019.
- While above-average economic and job growth through 2019 is forecast to result in continued population growth, most of the growth will be driven by low-income households seeking an affordable place to live.

- Another challenge: While homelessness in Washington State decreased by 29% between 2006 and 2013, more than 87,000 people in Washington still experience homelessness each year.
- While housing affordability and availability is improving for some special populations in Washington (such as veterans), other special populations still cannot find appropriate and affordable housing (for example, those with cognitive disabilities and victims of domestic violence).

In Summary:

By design, the 2015 Housing Needs Assessment does not make recommendations about how to solve Washington’s housing affordability problems, but it does provide the necessary data and information—by county and metro area, as well as statewide—for policymakers to continue making decisions that will improve housing affordability at all income levels in the future.

The Affordable Housing Advisory Board intends to replicate the Housing Needs Assessment on a regular basis so Washington’s efforts can be measured—and adjusted as the State’s economic, demographic and market conditions change.

Finally, all of the statistical information gathered for the assessment will be available for downloading and use by planners and policymakers across the state.

To Learn More:

The 2015 Housing Needs Assessment is available at www.commerce.wa.gov/housingneeds, including:

- Executive Summary
- Geographic profiles – one for each county and major metro area
- Full Housing Needs Assessment
- Appendices with supplemental information
- Supporting statistical information and data used in the report

2015

HB 2263;

Affordable Housing and Mental Health Services

This bill provides local communities the option of asking their voters to support a new sales and use tax for affordable housing and mental health facilities. Those funds could also be used for operations and maintenance needs as well as homeless services. A similar local taxing authority for mental health services brought in nearly \$100 million across the state in 2014 alone.

2015

SSB 5740;

Extended Foster Care

The bill provides funding for youth who qualify for Extended Foster Care due to being employed for 80 hours or more per month.

2015

2SSB 5404;

Office of Youth Homelessness

The bill funds the Office of Youth Homelessness at \$14.431 million.

Additionally, crisis residential centers, hope beds, and street youth services provided to run away and at-risk youth are transferred from the Department of Social and Health Services (DSHS) to the newly created Office of Homeless Prevention and Protection Programs within the Department of Commerce.

2015

SB 5987;

Funding for Affordable Homes near Transit

The bill requires that at least \$20 million be provided for affordable housing near transit. It also establishes that 80% of the surplus properties in light rail stations must be made available for affordable housing. Additionally, an amendment by Representative Jessyn Farrell (46th LD, Seattle) creates a funding source for the Puget Sound region of up to \$518 million for services to improve educational outcomes in early learning, K-12, and higher education. This includes, but is not limited to low-income, homeless, or foster care youth.

2015

\$75M allocation to the Housing Trust Fund

The \$75 million for the Housing Trust Fund will create nearly 2,000 homes for seniors, homeless families, people with developmental disabilities and mental illness, veterans, homeless youth, and more. It will also create 500 new safe, healthy beds for farmworkers.

2015

\$15M for Weatherization of Low Income Homes

Weatherization improvements of owner-occupied homes save homeowners money and keep homes warm in the winter and cool in the summer. Weatherization assistance is especially important in rural communities and has environmental benefits of less energy consumption

2015

Nine Percent Increase in Funding for Temporary Assistance to Needy Families (TANF)

The budget earmarks \$5,000,000 of the home security account solely for the Department of Commerce to provide emergency assistance to homeless families in the TANF program.

2014

SB 6074;

Homeless Children Education Act

The act requires the Office of Superintendent of Public Instruction to release demographic data on homeless students and report it to the Governor and Legislature. It also requires schools to inform

families and students about the services and supports available, and strongly encourages the adoption of best practices in training staff and serving homeless students.

2014

SB 5875;

Amending RCW 36.22 and 43.185C

Continuance of Homeless Housing Assistance—County Surcharge

A \$40 surcharge is imposed on recording of certain documents with county auditors for local homeless housing and assistance. The surcharge was set to expire in 2015 but was extended to June 30, 2019. In addition, the law now requires that at least 45% of the funds be set aside by the Department of Commerce for private rental housing payments. In addition, it requires the Department of Commerce to convene a stakeholder group that includes landlords, homeless counseling advocates, real estate industry representatives, cities and counties to discuss long-term funding strategies for homeless housing programs that do not include a surcharge on document recording fees. The stakeholder group must be convened by March 1, 2017 and must submit a report to the Legislature by December 1, 2017.

2014

HB 2723;

Amending RCW 61.24 Foreclosures

The Foreclosure Fairness Act was amended in 2014 to expand access to the Department of Commerce’s Mediation Program which is valuable tool available to homeowners and other housing professionals, such as Commission-supported housing counselors, by increasing eligibility to heirs, divorced spouses and homeowners that owned multifamily homes.

2014

HB 2335;

Amending RCW 13.34.267 Extending Foster Care to Age 21 for Youth Employed

For youth in the foster care system that are employed 80 hours or more a month, services can be extended until the age of 21.

2013

Capital and Supplemental Budget

The Capital Budget included \$51.5 million for the Housing Trust Fund. It additionally included \$4.5 million for public housing authorities’ preservation funds, and \$15 million for the Sand Point Building 9 project, totaling \$70 million in funding for affordable housing.

- The Housing and Essential Needs Program received enough funding to continue operating at current capacity.
- The Aged, Blind and Disabled Program received \$2 million in additional funding.
- Sweeping cuts to the Consolidated Homeless Grants were restored, with the final budget preserving all programs at current levels, including the accounts that fund Operations and Maintenance for affordable housing.

- The private/public partnership, the Washington Families Fund, dedicated to reducing and ending family homelessness statewide, received \$2 million in new funds.
- The budget included \$5 million for a Rapid Re-Housing Pilot Program.
- Funding for Supplemental Security Insurance (SSI) facilitation, the process by which the state helps those with a permanent disability get onto federal SSI, was preserved at current levels.

2013

HB 1617;

Protecting Washington’s Housing Trust Fund Investments

The Department of Commerce is working to ensure the long-term preservation of the state’s Housing Trust Fund (HTF) investments in affordable housing. The repayment of HTF loans fund the administrative costs of HTF programs. This law ensures the continued preservation of existing housing assets in the event of reduced or eliminated appropriations to the fund, while still providing statutory limits on administrative costs.

2013

SB 2069;

Housing and Essential Needs/Aged Blind Disabled Legislation

This legislation updated state laws regarding the Housing and Essential Needs program and the Aged, Blind, and Disabled program in order to ensure that they aligned with the federal Affordable Care Act and that the programs would continue to serve as a critical safety net for persons with a physical or mental disability.

2013

SB 5147;

Permanently Re-instate the 72-hour Notification Rule for Homeless Youth in the Shelter System

Since 2010, shelters have had a 72-hour window to notify the parents of unaccompanied minors entering their shelter. The extended notification period made it possible for shelters to keep youth safe while supporting family reconciliation and reunification. The policy expired, returning to an eight-hour notification, which can be too short a time for shelters to engage youth and often drives youth away, putting their health and safety at risk. SB 5147 permanently reinstated the 72-hour notification window.

2013

SB 5405;

Protecting Youth Aging Out of Foster Care

Each year, approximately 500 youth age out of foster care at 18. For many, this means losing the support all youth need to attain educational, work, and housing goals as they transition into adulthood. This bill implemented the extended foster care provisions of the federal Fostering Connections Act, extending foster care services to most youth between 18 and 21.

2013

SSB 5568; Amending RCW 59.18.580

Protecting Tenant Screening Reports for Survivors of Domestic Violence, Etc.

Beginning January 1, 2014, tenant screening companies will not be able to disclose a tenant’s, applicant’s or household member’s status as a survivor of domestic violence, sexual assault or stalking. In addition, such companies are not allowed to disclose if a tenant, applicant or household member has previously terminated a rental agreement under RCW 59.18.575. RCW 59.18.575 allows tenants who are survivors of violence, sexual assault, or stalking to terminate their lease or change their locks without penalty.

2012

2012 Supplemental Budgets

Although the session started out with no proposed allocation for the Housing Trust Fund in a tiny capital budget, the session ended with a \$67.1 million allocation, on top of the \$50 million allocated in the previous year. Including a \$1.8 million set-aside in the 2012 allocation, the biennial total was \$118.9 million—an incredible figure in hard financial times. The new \$67.1 million was estimated to build or preserve over 1,832 safe, healthy and affordable homes.

During the 2012 session, low-income housing was funded through the “Jobs Package” which was split between two bills: SB 6074 & SB 5127.

SB 5127

Housing for families with children: \$8.250 million

Housing for seniors, people with physical disabilities: \$9.666 million

Housing for people at risk of homelessness: \$2.5 million

SB 6074

People with developmental disabilities: \$2.9 million

People with chronic mental illness: \$1.125

Housing for the homeless: \$28.944 million

Housing for farmworkers: \$6.215 million

Housing for low-income households: \$2.982

Housing competitive pool (of which \$1.5 million M must be used for a demonstration project that houses the homeless with low cost living quarters.): \$4.530 M

Set-asides in 6074: LIHI: \$1.8 million

2012 Total for Affordable Housing (with \$1.8M set-aside) = \$68,912,000

2012

EHB 1398; RCW Amend RCW 82.02.060

Creating an exemption from impact fees for low-income housing.

Twenty-nine of Washington's 39 counties, and the cities within those counties, are planning jurisdictions defined under the Growth Management Act. Planning jurisdictions may impose impact fees on development activity as part of the financing of public facilities needed to serve new growth and development. These jurisdictions may provide an exemption for low-income housing and other development activities with a broad public purpose. These exemptions are not required to be paid from public funds other than impact fee accounts.

The legislation stipulates that a covenant must be recorded by the developer prohibiting the use of the property for anything other than low income housing. If the property is converted for any other purpose than affordable housing, the property owner must pay the applicable impact fees at the time of conversion.

2012

ESHB 2048; Amending RCW 36.22.179 and adding new section to RCW 43.185C

Relating to Low-Income and Homeless Housing Assistance Surcharges

Concerning low-income and homeless housing assistance surcharges, previously imposed upon document recording in Washington, the \$30 surcharge was increased to \$40 for the period from 9/1/2012 – 6/30/2015; returned to \$30 for the period 7/1/2015 – 6/30/2017; and returned to the original \$10, beginning 7/1/2017. The document recording fee is an essential tool in state and local plans to end homelessness. Ensuring its continued impact on these plans is crucial to the continued fight to end homelessness in the communities of Washington. The passage of 2048 meant that an estimated 30,000 more people across the state will receive services they need to exit or avoid homelessness.

2012

SHB 2194; RCW 59.20

Manufactured/Mobile Home Landlord Tenant Act

Washington State recognizes that Manufactured/Mobile home parks are another type of affordable housing for many families. The development of this bill brought tenants and landlords together to work through issues on both sides. The bill was modest in changes but it was the start of developing a relationship between both parties. This bill modifies and further defines the relationship, rights, and remedies between the landlord and the tenant.

The original bill delineated specific provisions that could not be contained within the rental agreement. This bill specifically states that if these provisions are included in the rental contract, the provision(s) are unenforceable. Another aspect of this bill allows the tenant to place “for sale” signage on the property within reasonable rules or restrictions to protect the safety of the residents. In addition, the landlord cannot prohibit distribution of information of meetings held in tenant homes that refer to mobile home living and affairs. While the state has seen many mobile parks change their land use, a provision has been clarified that the landlord must provide twelve months’ notice in advance of the effective date of the change.

2012

ESHB 2592;

Extended Foster Care

Providing safe housing for youths is important in the State of Washington. There is data that exists that shows youths that are in safe housing and continue their education see a reduction in crime related activities, enjoy reduced homelessness and reduced early parenting. The goal for ESHB 2592 was to provide safe housing for youths in existing foster care through the age of 21 who continue on to postsecondary education or training programs. An estimated 400 to 500 youths “age out” of the foster care system each year with no permanent home to go to.

2012

ESHB 2614;

Relating to assisting homeowners in crisis by providing alternatives, remedies, and assistance

In a collaborative effort between stakeholders, this legislation amended the Foreclosure Fairness Act “FFA” to make it more efficient to all stakeholders including borrowers, lenders, housing counselors, and mediators. This bill further established guidelines to short sales, mediation, trustee sales, and changes the allocation of funds to the FFA account and Commerce.

This new law regulates short sales only if it is debt that secures a single family resident, it is the borrower’s principal residence, and the debt was primarily for personal, family or household purposes. This new law sets four prerequisites for lenders/beneficiaries that include a statute of limitation on collection on the deficiency balance to three years. In addition, the statutorily required real estate licensee must disclose to the seller that a short sale does not automatically relieve the borrower's obligation of debt or costs remaining at closing.

With regard to the foreclosure process, the “meet and confer” meeting between the lender and borrower may now be by telephone unless the borrower requests a face-to-face meeting. The referral to mediation is no longer applicable at the “meet and confer” stage but only after the notice of default has been issued and no later than 20 days after the notice of sale has been recorded. The timeline when the mediation session must be held has been extended to 70 days rather than the 45 days. This bill also delineates the timeline when the mediation fees must be paid prior to the mediation and it also provides immunity for all foreclosure mediators.

The time period between recording the notice of sale and the sale has been extended to 120 days for those borrowers who received the notice letter under the meet and confer requirement. The beneficiary and/or its agent now has up to 11 days after the trustee's sale date to declare the auction void for several reason: there is an error with the trustee foreclosure process; there is an agreement for a loan modification, forbearance plan, share appreciation mortgage, or other loss mitigation; the beneficiary has accepted funds that fully reinstate or satisfy the loan even if the beneficiary or authorized agent had no legal duty to do so.

2012

SHB 2640;

Amending RCW 43.185A.050 & RCW 43.185.070

An Act Relating to Emphasizing Cost-Effectiveness in the Housing Trust Fund

The act requires the Department of Commerce to consider total project cost and per-unit cost compared to similar housing projects constructed or renovated within the same geographic area for the Housing Trust Fund applications it reviewed through June 30, 2013. The scope of projects for which cost will be considered is limited to those involving housing construction, rehabilitation, or acquisition.

The Department of Commerce, with input from the Affordable Housing Advisory Board (Board), or a subcommittee of the Board, is required to report to the Legislature by December 1, 2012, with recommendations for awarding funds from the Housing Trust Fund in a cost-effective manner.

2012

SB 6167;

Amending RCW 43.43.832 and RCW 4 43.43.830

Regarding Criminal Identification System Information for Entities Providing Emergency Shelter, Interim Housing, or Transitional Housing

This legislation authorized the WSP to disclose conviction records of a prospective client or resident at no cost upon the request of a business or organization that qualifies as a nonprofit organization under the Internal Revenue Code and that provides emergency shelter or transitional housing for children, persons with developmental disabilities, or vulnerable adults. In so doing, this legislation reduces costs to nonprofits providing these types of services, while increasing the safety component of providing safe, healthy, affordable housing to those in need.

2012

SSB 6277;

Amending RCW 84.14.007

Creating authority for counties to exempt from property taxation new and rehabilitated multiple-unit dwellings in certain unincorporated urban centers.

The Legislature provided a property tax exemption for property associated with the construction, conversion, or rehabilitation of qualified, multi-unit, residential structures located in a targeted residential area contained in an urban growth center (the Tacoma Bill). The exemption does not apply to the value of land or non-housing-related improvements or to increases in assessed valuation made on non-qualifying portions of the building or the value of the land. A property for which an application for a certificate of tax exemption is submitted after the effective date of the act may be eligible for an eight-year tax exemption. If the property owner commits to renting or selling at least 20 percent of units as affordable housing units to low- and moderate-income households, the property may be eligible for a 12-year exemption.

In the case of properties intended exclusively for owner-occupancy, the state affordable housing requirement may be satisfied by providing 20 percent of units as affordable to moderate-income households. Cities may impose additional affordable housing requirements, limits, and conditions. Cities with a population of 5,000 or more are eligible to establish the target areas; smaller cities may participate if they are the largest city or town located in a county that is required to plan under the Growth Management Act.

Through this bill, the multi-unit housing exemption is made available in an urban center where the unincorporated population of a county is at least 350,000 and there are at least 1,200 students living on campus at an institute of higher education during the academic year, for example, the area surrounding Pacific Lutheran University. For any multi-unit housing located in an unincorporated area of a county, a property owner seeking tax incentives under this chapter must commit to renting or selling at least 20 percent of the multi-family housing units as affordable housing units to low- and moderate-income households.

2012

SSB 6315;

Concerning the Fair Tenant Screening Act

The \$30 to \$35 cost for background screening at application to a multi-family property can be burdensome to many households. Prospective residents often apply at multiple properties when trying to locate safe, decent affordable housing. Negative findings in those screenings can prohibit the applicant from gaining occupancy, and when they’ve applied at multiple properties to better their chances, the fees can be costly.

Requires that, prior to screening a prospective tenant, and in order to charge the prospective tenant for that screening, a prospective landlord must first notify the tenant in writing (or by posting the information) what types of information will be accessed to conduct the tenant screening; what criteria may result in the denial of the application; and, the name and address of the consumer reporting agency, if used; and the prospective tenant’s right to obtain a free copy of the consumer report in the event of an adverse action

Additionally, if an adverse action is taken, the prospective landlord must provide this information to the prospective tenant in writing, in a form substantially similar to the one prescribed by statute. If the adverse action is based on information of the consumer reporting agency must be provided.

Lastly, a stakeholder workgroup was asked to examine remaining issues, including the high and repeated cost to a tenant of obtaining a tenant screening report; the portability of tenant screening reports; the criteria used to evaluate a prospective tenant’s background, including which court records may or may not be considered – including eviction and domestic violence records; and the regulation of tenant screening services. Specific recommendations on these issues were due December 1, 2012.

2011

2SHB 1128;

Amending RCW 2 13.04.011, 74.13.020; 13.34.030, 74.13.031, and 13.34.145; adding new sections to chapter 13.34 RCW and 74.13 RCW

Providing support for eligible foster youth up to age 21.

2011

2SHB 1362;

RCW 61.24.005 Foreclosure Fairness Act

Like the rest of the country, Washington is experiencing high unemployment and foreclosure rates. The state ranks 17th in the nation for new foreclosure rates with Pierce County reporting the highest rate of 1 in every 450 homes in foreclosure. Foreclosures of deeds of trust can be accomplished non-judicially if the borrower defaults on the loan obligation. Concerned with the high rates of such foreclosures, the Legislature passed 2SHB 1362 which extended the time period during which beneficiaries are required to meet with borrowers, the “meet and confer” requirement, to 60 days if the borrower responds to a beneficiaries’ letter of notice within the first 30 days. In such instance, a notice of default cannot be issued until the 60 day “meet and confer” period has lapsed and during that time, borrowers have a right to a face to face meeting with beneficiaries. If a borrower struggling with a loan contacts a housing counselor, that counselor must work in good faith to reach a resolution before the end of the “meet and confer” period.

The Legislature also established a foreclosure mediation process, administered by the Department of Commerce, to which borrowers can be referred by a housing counselor or an attorney. Both borrowers and beneficiaries are required to participate in the mediation in person and must act in good faith. This program is funded by the very beneficiaries who issue notices of default. The funds (\$250 per property for which a notice of default has been issued) pays for housing counselors and for related programs by the Office of the Attorney General, Office of Civil Legal Aid, Department of Financial Institutions and the Department of Commerce to assist homeowners prevent foreclosure.

2011

SHB 1793; Amending RCW 19.182 and 13.50

Restricting access to juvenile records.

2011

SHB 1811; Amending RCW 43.185C.180

Allowing for informed telephonic consent for access to housing or homeless services.

2011

ESHB 2082; RCW 74.62.005

The Housing and Essential Needs Program is Established

In 2011, the Legislature passed ESHB 2082 and created the Housing and Essential Needs program to help low-income individuals without dependents who are elderly or cannot work due to an incapacity or disability. Administered by the Department of Commerce through grants with its current network of homeless and housing service providers, the Housing and Essential Needs program provides non-cash housing and other assistance for some recipients of state-funded Medical Care Services (MCS). The program is up and running in every county providing rent assistance to thousands of people who would otherwise be homeless. The grant has further cemented the linkages between DSHS and local housing providers, who are working together to assist the eligible population of people who are unable to work and have no income. The Housing and Essential Needs program is proving that limited resources can be maximized by focusing assistance toward people at imminent risk of homelessness and leveraging the innovation of local partnerships.

2011

SB 5035; Amending RCW 59.20

Requiring written receipts from landlords for payment made by tenants in cash.

2011

ESSB 5253; Amending RCW 36.70A and adding a new chapter to Title 39 RCW

Concerning tax increment financing for landscape conservation and local infrastructure.

2011

SB 5289;

Amendment to the Business and Occupation Tax Provisions

Prior to this legislation, there were a number of attempts to exempt property management companies from paying B&O taxes on monies received from property owners, for the on-site

management of their properties. However, the definitions in those previous attempts made it burdensome to meet the minimum threshold requirements to take advantage of the B&O exemption, due to the manner in which these management companies organize their work. This legislation refined definitions in such a way that enables personnel to work at the owner’s property or centrally perform on-site functions, rather than to require that they work primarily at the owner’s property.

2011

SB 5482; Amending RCW 36.22

Authorizing existing funding to house victims of human trafficking and their families.

2011

ESSB 5834; Amending RCW 67.28, 36.38 and 36.100

Permitting counties to direct an existing portion of local lodging taxes for the arts, culture, heritage, tourism and housing.

2010

EHB 1690; Amending RCW 39.10.200, 35.82.200 & 41.131.408.

An Act Relating to public works projects

Regarding public works contracting, housing authorities are subject to the alternative public works contracting procedures, specified by previous legislation, except where alternative requirements or procedures of federal law or federal regulation are authorized. Further, housing authorities must abide by the state prevailing wage laws except where specifically preempted by federal law or regulation. This legislation ensures better wages for those involved in the construction of affordable housing, thereby realizing, or at least approaching, living wage jobs creation as a result of affordable housing development. This, in turn, stimulates the local economy and adds greater economic benefit to the communities in which the housing is built.

2010

2ESSB 5742; Adding a new chapter to Title 35 RCW.

Crime Free Rental Housing Program

Benefits to owners and managers who adopt this program include lower maintenance and repair costs, improved property values, improved personal safety for renters, appreciative neighbors and satisfied tenants, increased demand for rental property, and less time spent on crisis control. Landlords are allowed, under this legislation, to base hiring/firing decisions solely on the basis of a person’s criminal history, and any crime-free rental housing programs must be voluntary except where a landlord has an excessive number of criminal activity reports on the premises; in those instances, a landlord may be compelled to participate in the program.

2010

ESHB 1956; Added a new section to RCW 36.01; added a new section to RCW 35.21; added a new section to RCW 53A.21; created new sections Homeless Camps on Church Properties

The legislature found that, “Despite laudable efforts by all levels of government, private individuals, nonprofit organizations, and charitable foundations to end homelessness, the number of homeless persons in Washington is unacceptably high. The state’s homeless population, furthermore, includes a large number of families with children, youth, and employed persons. The Legislature finds that the fiscal and societal costs of homelessness are high for both the public and private sectors, and that ending homelessness should be a goal for state and local government.”

As a means of addressing these mounting realities, ESHB 1956 authorized religious organizations to host temporary encampments for the homeless on any property owned or controlled by such organizations. It went further by precluding counties, cities and towns from enacting regulations that impose any conditions, other than those for health and safety concerns, upon religious institutions; imposing excessive fees for permitting the encampments; or requiring the religious institutions to obtain liability insurance for the encampments or from indemnifying the municipalities against such liability.

2010

ESHB 2753 (& Capital Budget Proviso); RCW 43.180.160

Washington Works Housing Act

Administered by the Washington Housing Finance Commission, the Washington Works housing program encourages more nonprofit organizations and public agencies to use tax exempt bond financing to develop workforce housing. The Legislature appropriated \$25 million dollars to the Department of Commerce to provide equity investments to nonprofit organizations using tax exempt bonds issued by the Commission to finance affordable housing primarily for low-income working households. Up to \$1 billion dollars of the Commission's debt authority can be used to finance workforce housing under the program.

To be eligible, at least 51% of the units in a participating project must be occupied by low-income families. Once the debt is paid off, the rents are adjusted to cover expenses so the maximum number of low-income persons can be served in the project. The Washington Works program invested the \$25 million in ten projects located in seven communities throughout the state. These ten projects provide 460 units of workforce housing in rural, urban and suburban communities. The Washington Works investment leveraged a private investment of just over \$4.42 million through the sale of tax-exempt bonds to private investors.



Columbia City Station Apartments: 52 units of new, affordable workforce housing with a “live/ work/ play” design, located at a transit and pedestrian oriented site.

2010

ESHB 2753; RCW 39.86.100

Facilitating Bond Cap Recapture

In a savvy move, the Legislature changed the 'recapture date' for unused bond cap for tax exempt bonds from September 1st to July 1st which means bond cap not used in other eligible categories by July 1st can be accessed by the Washington State Housing Finance Commission and Housing Authorities earlier in the year in order to finance more affordable housing. The amount of bond cap available will vary year to year but this simple date change could result in as much as \$90 million or more of bonding authority each year for affordable housing. The bill also updated other section of the Bond Cap Allocation program.

2010

E2SHB 2782; Amending RCW 74.04, 10.101.010, 26.19.071, 31.04.540, 70.123.110, 73.08.005, 74.08, 74.08A.120, 74.09 and 74.50.060; reenacted and amended RCW 13.34.030; added new sections to RCW 74.04, 54.330, 70.47, 70.96A and 74.08A.

Concerning the Security Lifeline Act

With massive budget short-falls brought on by the economic crises of 2006-07, giving rise to the “Great Recession”, many social service programs in the state were greatly reduced, or eliminated altogether. E2SHB 2782 was a response to such reductions in funding of a number of programs, including GAU, Basic Health, food assistance, vocational training/rehabilitation, and veteran’s services. The bill also sought to address obstacles many people faced in accessing the support and services they need. This bill established a paperless “Opportunity Portal” to streamline access, expanded the Basic Food Employment and Training Program to include partnerships with more community colleges or community-based organizations in order to help people with job readiness, tuition, housing, counseling, transportation, and other services, and renamed the General Assistance Program to the “Disability Lifeline Program” which sought to better identify individual needs and get people connected to the right resources; including a streamlined process for enrollment in federal SSI programs, the Housing Voucher program, Basic Health Plan, access to chemical dependency treatment, and referrals to the Division of Vocational Rehabilitation, Department of Veterans Affairs.

2009

EHB 1464; Amending RCW 36.70A.540

Concerning Affordable Housing Incentive programs

The Growth Management Act (GMA), enacted in 1990 and 1991, is a comprehensive land use planning framework for county and city governments in Washington. Standards for these jurisdictions were to be established by those jurisdictions themselves, in accordance with the overarching principles of the GMA. Within the GMA, incentive programs were encouraged, in order to facilitate the construction of affordable housing within the larger context of urban planning and zoning.

The key language in EHB 1464 is that it changed “construction” to “development”. In so doing, the bill changed the law to allow for incentives to be granted even where no new construction was occurring, but where low-income units were being developed (i.e. acquisition/rehab or converting market rate units to affordable units). It also allowed for greater flexibility regarding location of the units (in the general area, as opposed to in adjacent buildings) as well as the type of development within which the units are located. The bill also allowed for a mechanism by which individual jurisdictions could accept money or property from developers who chose not to build affordable

housing within the areas designated for the incentive programs, so long as the jurisdiction deemed said payments to achieve a result equal to or better than providing the affordable housing itself.

2009

SHB 1663; Amending RCW 59.18.085

Creating Relocation Rights for Tenants in Transient Lodging.

2009

HB 2331; RCW 36.22.179

Temporarily Increasing the Homeless Housing and Assistance Act Document Recording Fee

Through HB 2331, the Legislature increased the document recording surcharge collected by county auditors under the Homeless Housing and Assistance Act of 2005 from \$10 to \$30. The \$20 portion of the fee expires on June 30, 2015, and currently funds 52% of state and local homeless housing efforts. Without that funding at least 28,534 more people would be homeless each biennium. These additional funds are used to support Department of Commerce homeless programs which were previously funded through the general fund. These programs include Emergency Shelter and Housing (ESHP), the Transitional Housing Operating and Rent (THOR) program, as well as a program for runaway youth operated by DSHS. This temporary surcharge, combined with the \$8 Affordable Housing for All Surcharge, results in approximately \$48 million dollars a year with roughly 65% remaining at the county level and 33% remitted to the state's Home Security Fund.

2009

SB 5452; Amending RCW 43.180.160

Increasing the debt limit of the Housing Finance Commission to \$6 billion.

2009

SSB 5468; Amending RCW 31.04.025

This legislation exempted nonprofit housing organizations from the Consumer Lending Act (CLA), so long as said organizations' lending purpose is to assist low-income borrowers purchasing or repairing a home, or for development of low-income housing. By exempting these organizations from the CLA, this legislation effectively removes a complex regulatory layer from those organizations promoting affordable housing development and preservation.

2009

SB 5470; Amending RCW 82.08.0293, 82.08.195, 82.12.0293, and 82.12.195; creating a new section.

Sales and use tax exemptions for senior residents of qualified low-income senior housing facilities

Washington state sales tax is viewed by many as part of a regressive tax system. With the base rate at 6.5 and the effective rate at 7.0–9.5, depending on location, this tax can be burdensome on citizens living on fixed incomes; most notably, senior citizens. This tax is applied to prepared meals served for consumption on the premises or where consumption facilities are provided. However, an exemption exists where such prepared meals are provided to senior citizens, individuals with

disabilities, or low-income persons furnished by a not-for-profit or under a state administered nutrition program for the aged.

SB 5470 extended this exemption, providing it for senior residents of qualified low-income senior housing facilities; to include sales and use tax on charges for bundled service packages and meals when provided by the lessor or operator of a qualified senior housing facility for qualified tenants.

By reducing the tax burden on seniors living in affordable housing communities, SB 5470 improved the lives of seniors by freeing up a portion of their fixed incomes for their enjoyment or to fill other needs within their budgets.

2009

SB 5649; Amending RCW 70.164.020, .040, .050, .060; and added sections to RCW 43.330.185.06

Energy efficiency in buildings

The Department of Community, Trade and Economic Development (CTED), now Commerce, in partnership with Washington State University (WSU), implement an energy efficiency improvement program. Providing energy efficiency upgrades for residential, commercial, and nonprofit purposes, this legislation provided for funding, often in conjunction with other state and federal programs, to projects throughout the state. While improving energy efficiency, SB 5649 also injected much-needed capital into a still-struggling economy. It prioritized weatherization efforts in households at or below 125% of the federal poverty level. It created family-wage jobs, potentially leading to careers in the construction and energy efficiency sectors. Furthering this philosophy, CTED was mandated to require sponsors to hire individuals trained in workforce training and apprentice programs, where available, pay prevailing wages, hire from the community in which the project is located, and create employment opportunities for veterans, National Guard members, and low-income and disadvantaged populations.

2009

SSB 5665; Amending RCW 48.01.050 and adding a new chapter to 48 RCW.

Joint Self-insurance Pools for Affordable Housing Entities

Before this legislation, nonprofit affordable housing providers were not allowed to participate in multi-state self-insurance risk pools; participating only in pools within the same state. This legislation changed that; allowing nonprofit affordable housing providers to engage in self-insurance risk pools with like-entities in other states. This allows for greater resources being brought to bear by many more affordable housing providers, thereby lowering the costs to those providers participating which, in turn, allows for greater financial solvency and a greater ability to put more dollars to the actual development and preservation of affordable housing.

2009

ESB 5810; RCW 61.24.031

Requiring Negotiation Attempts Preceding a Foreclosure

Deeds of Trust are different from mortgages in that they do not require a judicial foreclosure process. If a homeowner defaults on the loan, the trustee may foreclose on the property. As foreclosures in Washington began to rise in 2008, the Governor and Legislature sought a way to encourage greater negotiation between parties to avoid foreclosure. ESB 5810 requires a beneficiary to contact a borrower by letter and telephone 30 days before issuing a notice of default in order to

assess the borrower's financial situation. The beneficiary must give the borrower information for housing counseling agencies and must inform the borrower that he or she can request a subsequent meeting with the beneficiary to explore options to avoid foreclosure. This is referred to as the “meet and confer” requirement. This statute was strengthened in 2011 in the Foreclosure Fairness Act (2SHB 1362).

2008

E2SHB 1621; RCW 59.20.300

Protecting Manufactured/Mobile Home Communities

In the mid-2000s the Legislature took note of the high number of manufactured housing communities sold for other private development purposes. In 2007 alone, 17 communities closed displacing 533 households and, according to the Department of Commerce, there were approximately 1,000 communities 'at risk' given their location in valuable urban growth areas. Between 2008 and 2012, twenty-three parks closed or gave the Department of Commerce notice of closing, impacting 837 households. The Legislature responded with a landmark bill to protect community tenants and to encourage the preservation of this generally affordable style of housing.

E2SHB 1621 requires landlords to alert the Department of Commerce and the community's tenants if their community is for sale. The bill also requires that landlords negotiate in good faith either with a tenant organization, a nonprofit organization, local government or Indian tribe interested in preserving the property for manufactured housing. The Legislature went further to incentivize landlords to consider such a sale by exempting sales to these groups from the state and local Real Estate Excise Tax (REET). When a park cannot be preserved, at the very least, the Department of Commerce's Office of Mobile/Manufactured Home's Relocation Assistance program is alerted early-on regarding the sale and the potential number of displaced tenants who may require financial assistance.

2008

SHB 2014; RCW 64.34.440

Protecting Apartment Dwellers in the Event of “Condominium Conversions”

Due to the hot real estate market of the mid-2000s, many affordable rental properties were converted into upscale condominiums, displacing thousands of individuals and families who could not afford to purchase a condo and who had trouble finding substitute rental property given the low rental vacancy rates. The Legislature, recognizing the right of property owners to convert properties, yet seeking to balance the well-being of the existing tenants, passed SHB 2014 requiring landlords to give existing apartment tenants 120 day notice in the event of a condominium conversion. Furthermore, the Legislature declared tenants should be able to remain in their home throughout that 120-day period and their right of quiet enjoyment in the space should not be disturbed. The Legislature authorized local governments to require property owners pay relocation assistance to low-income tenants.

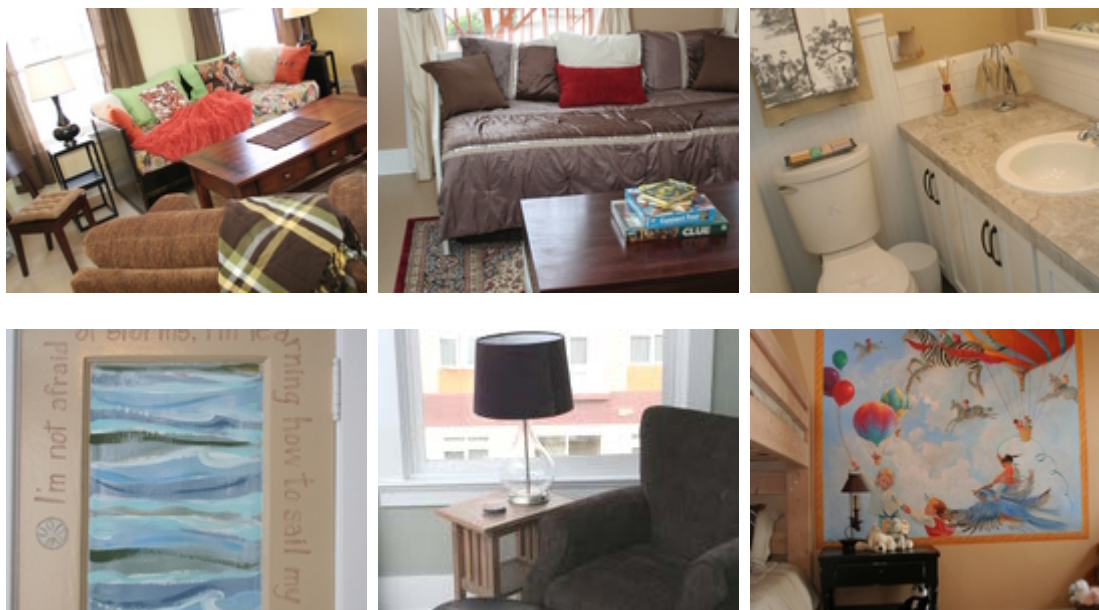
2008

SHB 2279; RCW 36.130.005

Prohibiting Discrimination of Affordable Housing Developments

In response to complaints by nonprofit housing developers that some local governments were imposing additional permitting requirements on their projects that were not normally imposed on

similar developments, costing the affordable housing developers time and money, the Legislature passed SHB 2279 which simply states local governments may not place requirements on affordable housing developments which are different than requirements imposed on other housing developments unless those requirements are conditions of financing or other incentive programs benefitting the affordable housing. However, local governments are not prohibited from extending preferential treatment to affordable housing developments. Rural nonprofit developers report that this legislation has been useful in avoiding adverse land-use decisions in response to local opposition.



“Serving a population that is exclusively made up of people who have experienced significant trauma (domestic violence survivors) presents many challenges; many of these challenges were mitigated by having healing, private, soothing, beautiful spaces. The difference it has made to go from a communal living shelter in an old building that was never intended for that purpose, to a new building that was specifically designed for that purpose, is that our shelter is now truly a refuge, not just a roof. Clients tell us that they feel at peace for the first time in years; staff report that they are able now to spend time doing actual advocacy and support, not just refereeing arguments over communal living issues. Our average length of stay is up by 10 days in the first year.”

--Karen White Tautfest, Deputy Director of the YWCA, describing the Wilsonia Apartments

2008

EHB 3142; RCW 43.185A.120

The Rapid Response Loan Program

Accumulating enough funds to quickly acquire property in rapidly gentrifying neighborhoods for affordable housing development or to prevent loss of community facilities serving low-income persons was almost impossible for nonprofit organizations given multiple grant and loan cycles on which they depended for funds. To help these organizations quickly respond to market opportunities and to conditions that threatened affordable housing and low-income communities, the Legislature appropriated \$10 million dollars to the Department of Commerce to create a Rapid Response Loan Program (RRP) administered by the Washington State Housing Finance Commission.

RRP is a streamlined loan program able to quickly assist Washington nonprofit organizations purchase

real property (including land, buildings or mobile home parks) for the preservation or development of affordable housing and community facilities. The Commission and its financing partners, the Department of Commerce, Impact Capital and the Washington Community Reinvestment Association (WCRA) were able to coordinate and streamline a process that resulted in the ability to meet nonprofit applicants’ short timelines. Applicant properties must be located in rapidly gentrifying or redeveloping areas, or in communities with a significant low-income population that is threatened with displacement. All housing developed with RRP funds targets populations at or below 80% of the area median income and is subject to a minimum of 30 years of affordability.

2008

ESSB 5959; RCW 43.185C.210

Transitional Housing Operating and Rent Program Created in Statute

The “THOR” program, within the Department of Commerce, has been helping homeless individuals and families secure and retain safe, decent and affordable housing since 1999, but the Legislature decided in 2008 to formalize the program in statute. The Department provides grants to eligible organizations to operate the program and grantee organizations may use the funds to provide things such as rental assistance, case management services designed to help the client move toward self-sufficiency and operating expense subsidies for transitional housing facilities that serve homeless families with children. The program serves families with children who have household income at or below 50% of the area median income and individuals or families without children who have household income at or below 30% of the area median income, including persons at risk of becoming homeless who have a family member with a chemical dependency or is an offender released from confinement within the past 18 months.

The Department of Commerce awards THOR funds to local agencies throughout the state using a formula allocation.

2008

SB 6335; Appropriations Bill

Continued Funding for the Washington Families Fund Program

In 2008, an additional \$6 million was appropriated to support the work of the Washington Families Fund, a stable, long-term source of funding for support services to homeless children and their families.

To date, the program has accomplished the following for moderate-needs families:

- Increase in employment among heads of households: 50%
- Increase in average earned income: 32%
- Decrease in families receiving TANF: 30%
- Improvement in school stability for kids: 80%

2008

Supplemental Capital Budget

The Nonprofit Equity Fund

Understanding the critical need for more workforce housing, the Legislature created the Nonprofit Equity Fund and designated \$10,000,000 to be awarded to the Department of Commerce. The program was administered through a contract with the Washington State Housing Finance

Commission which passed the funds along to eligible projects in order to demonstrate that with an investment of equity capital from the state, nonprofit housing developers could use tax exempt bond financing to develop workforce housing in Washington. Two projects were awarded funds: the Walton Place II development in Whatcom County created 40 units of additional affordable housing, and in Seattle 71 units were constructed through the Rose Street apartment development.

2007

Increase in Housing Trust Fund to \$200 million

The Legislature increased the Housing Trust Fund to \$200 million for the 2007-2009 biennium.

2007

ESHB 1359; RCW 36.22.1791

Affordable Housing for All Surcharges

The 2007 Affordable Housing for All bill added an additional \$8 document recording fee surcharge to support low-income housing projects. Counties must use their funds (90% of the total funds collected) for housing activities which directly accomplish the goals of the county's local homeless housing plan. The portion of revenue due to the state (10%) is remitted to the Home Security Fund and the Department of Commerce uses these funds to provide housing and shelter for extremely low-income households and for program administration, housing and shelter assistance for homeless persons, and the Homeless Housing Grant Program.

2007

2SHB 1401; RCW 43.185A.110

Affordable Housing Land Acquisition Program

The Legislature, in 2007, responded to the challenge low-income housing developers expressed in obtaining funds quickly enough to purchase and hold land for future affordable housing development in a fast paced real estate market. The Affordable Housing Land Acquisition Program (LAP), appropriated to the Department of Commerce to be administered by the Washington State Housing Finance Commission (HFC), was created as a revolving loan fund to meet this need. The Legislature appropriated \$1 million dollars for this purpose, but through the HFC had leveraged an additional \$10,500,000 for this program. For every one dollar of LAP an additional \$1.90 in additional acquisition funds have been secured.

Loan interest rates do not exceed 1 percent and forty percent of loans must be made to eligible applicants operating homeownership programs for low-income households. Although nonprofit developers can hold on to the land for a period of time before development, they must present a plan to the HFC and housing or a related community facility must be placed into service within eight years of loan receipt. Resulting housing developments are subject to a minimum of 30 years of affordability. Land Acquisition Program funding has constituted approximately 47% of the funding for the purchases of the property it has supported, this is a strong loan to value ratio. As of June 30, 2014, the Commission has approved 18 land acquisition loans for a total of \$10.3 million loaned—

and \$2.5 million repaid.

“The Riverbend Glen site was the only remaining downtown undeveloped property adjacent to the Spokane River. The LAP program enabled Spokane Housing Ventures to bank the land and wait for the site to become accessible via the new planned Martin Luther King Jr. Way. With the downtown employment center within walking distance, affordable housing is a perfect fit. The fact that the land adjoins a major arterial will also lend itself well for future commercial development on the ground floor, allowing for support for the ongoing affordability. Without LAP, the ability to bank this land would not have happened.”

--Helen Stevenson, Manager Acquisitions and Development, Spokane Housing Ventures



“LAP funds were an indispensable part of getting the San Juan Community Home Trust’s new neighborhood of sustainable and forever affordable homes off the ground. With the five-acre parcel that was purchased for Sun Rise, we will be able to build two more phases of homes in addition to the 14 units that were completed this year (2011). Land and infrastructure costs are always much greater for the first phase of development, which is when we needed the extra help from the LAP program. The 14 homes in Sun Rise Phase 1 have come to life with new families, and are setting a new standard of quality and sustainability for affordable home ownership.”

—Nancy DeVaux, Executive Director, San Juan



Community Trust

“The Land Acquisition Program (LAP) allowed the Vancouver Housing Authority to take advantage of an opportunity to acquire land at a time when VHA was not prepared to do a full scale development. The LAP provided very affordable financing so that VHA could jump on the opportunity to acquire land that we expect to have terrific transit-oriented development potential with the anticipated bridge replacement and rail to Portland. If we had waited to acquire the property in 5 years, the cost would have been out of reach and the opportunity to create affordable housing at this important location would have been lost forever. The only downside to the program is that there are not more funds available.”

—Roy Johnson, Executive Director, Vancouver Housing Authority



2007

HB 1450; Amending RCW 84.36.560 and 84.40.030

Created a low-income rental housing tax exemption to rental properties owned or used by nonprofits if they receive financial assistance from: a) a federal program administered by a city or county government; or b) document recording fee surcharges imposed for the purpose of affordable housing development or to reduce homelessness. For property assessments, consideration should be given to any agreement with a government agency that restricts rental income, appreciation, and liquidity, and to the impact of government restrictions on operating expenses and on ownership rights.

2007

E2SHB 1461; RCW 34.12 and Title 59 RCW

The Manufactured/Mobile Home Dispute Resolution Program is established in the office of the Attorney General to attempt to resolve disputes regarding alleged violations of the Manufactured/Mobile Home Landlord-Tenant Act.

2007

E2SHB 1910; RCW 84.14.020

Increasing Affordability within the Multifamily Tax Exemption Program

In 2007, the Legislature amended the multifamily tax exemption program in two important ways. First it expanded the number of cities eligible to participate to those with populations above 15,000 (close to 100 cities qualify). Second, the Legislature added an incentive for developers to provide more affordable housing by providing a longer term for the property tax exemption (12 years) if a development includes 20% affordable housing and only 8 years for the exemption if the development consists of market rate housing. Only Seattle requires affordable housing for all exempt properties and as a result, 26% of the units in tax exempt Seattle properties are affordable.

The rationale for providing the shorter term exemption for market rate housing is to encourage in-fill development in blighted urban areas and encourage more downtown redevelopment in aging city centers. Benefits of this revised program include assisting with development in areas where the market is soft and a financial incentive is needed, and also encouraging the creation of some affordable units in strong markets where rents are high.

2007

2SHB 1922; RCW 43.63A

Creating the Independent Youth Housing Program for youth ages 18 to 23, who have exited the state dependency system. This provides housing stipends and case management services.

2006

E2SHB 2418; Amending RCW 35.82

Authorized the dissolution of joint housing authorities pursuant to substantially identical resolutions or ordinances of the legislative authority of each of the counties or cities that previously authorized that joint housing authority, under certain guidelines; created the Interagency Council on Homelessness (IACH) made up of policy level representatives from five state agencies; required DCTED to implement the Washington Homeless Client Management System by the end of 2009;

and, increased the availability of affordable housing.

2006

ESHB 2984;

Amending RCW 82.02 and adding a section to 36.70A RCW

Jurisdictions fully planning under the Growth Management Act may enact or expand affordable housing incentive programs providing for the development of low-income housing units through development regulations under certain income guidelines and other conditions (commonly referred to as the “inclusionary zoning bill”).

2006

2SHB 3070; Amending RCW 43.180.160

Increased the Housing Finance Commission’s debt limit from \$3 billion to \$4.5 billion.

2005

Increase in Housing Trust Fund to \$100 million

For the 2005-2007 biennium, the Legislature increased the HTF to \$100 million.

2005

EHB 1074; RCW 43.185.050

Housing Trust Fund Administrative Cap Increased

Statutes limited the Department of Commerce’s administrative costs for the Housing Trust Fund program to four percent of the annual funds available to the program. With a rapidly growing portfolio of projects, the Department of Commerce needed to increase its capacity to ensure that projects comply with state requirements and are able to remain affordable and sustainable over the long-term. Recognizing this need, in 2005, the Legislature increased the administrative allowance to five percent. Administrative costs are paid for with revenues from HTF loan repayments and fees.

2005

ESHB 1640; Amending RCW 59.22

Provided a dispute mechanism for manufactured/mobile home landlord and tenant disputes.

2005

E2SHB 2163; RCW 43.185C

Homeless Housing and Assistance Act

The goal of the landmark Homeless Housing and Assistance Act is to reduce homelessness by 50 percent statewide and in each county by July 1, 2015. This goal is to be achieved through the creation of state and local plans to address the causes of homelessness and the implementation of solutions to homelessness through state and county homeless housing programs. The Department of Commerce administers the program and thirty-seven counties participate.

The Homeless Housing and Assistance Program is funded by a \$10 surcharge for certain documents recorded by the county auditor. The Homeless surcharge generates around \$16 million each year to

support programs. Of that \$10 surcharge roughly 60% remains at the county level and 40% are deposited into the state Home Security Fund. The Department of Commerce uses these funds to create the statewide homeless housing strategic plan, administer the Homeless Housing and Assistance program, measure program performance, provide technical assistance to local governments, and manage the homeless housing grant program.

2005

SB 5509; RCW 39.35D.080

Green Building Standards Required for Affordable Housing

In its continued effort to establish environmentally sound policies in Washington, in 2005, the Legislature mandated that the Department of Commerce adopt and administer a sustainable building program for affordable housing. In response, the Evergreen Sustainable Development Standard (ESDS) was developed by Commerce and has been required of all projects funded through the Housing Trust Fund since July 2008. The ESDS contains 79 criteria that safeguard health and safety, increase durability, promote sustainable living, preserve the environment, and increase water and energy efficiency. In addition to complying with all mandatory provisions, new construction projects must achieve 50 points from the optional criteria, and rehabilitation projects must achieve 40 points from the optional criteria. Commerce contracts with a third-party verifier to ensure all identified ESDS measures are complied with during construction. Since 2009, the Housing Finance Commission has required projects which it finances to meet the ESDS standards as well.

2005

SB 5577;

Tenant Relocation Assistance

The Legislature strengthened the Residential Landlord Tenant Act in 2005 by requiring relocation assistance to tenants forced to leave substandard buildings. If a tenant has to move because a building is going to be condemned or is uninhabitable due to health and safety violations, the landlord must provide tenants with relocation assistance of \$2,000 per dwelling unit or three times the monthly rent, whichever is greater. A local government may advance assistance to tenants if a landlord does not comply within seven days and the local government can assess a penalty of \$50 dollars per day for each tenant to which assistance has been advanced. Displaced tenants are also entitled to recover any actual damages that exceed the relocation assistance payments, as well as court or arbitration costs and reasonable attorney’s fees incurred.

2005

SB 5713;

Amending RCW 84.14.030

Assisting tenants in multiple-unit housing proposed for rehabilitation (Tacoma Bill); removed the requirement that a property proposed for rehabilitation to be vacant for 12 months prior to application for the property tax exemption; however, if such a building is not vacant, the owner must provide all existing tenants with comparable housing and a reasonable opportunity to relocate.

2005

SSB 5767;

Adding new Chapter to section 43 RCW

Created a homeless housing task force in each county to develop a ten-year plan addressing short and long term housing solutions for the homeless; provided guidelines and other conditions for participation or opting out.

2004

Operating Budget Appropriation, RCW 43.330.167

Washington Creates the Washington Family Fund (WFF)

In 2004, the Washington Legislature allocated \$2 million dollars to the Washington Families Fund which then became the nation’s first reliable, long-term source of funding for support services to homeless children and their families. A nonprofit organization, Building Changes, leads the Washington Families Fund, a public-private partnership between the state of Washington and 25 private and philanthropic funding partners including the Bill and Melinda Gates Foundation, the Boeing Company, Microsoft, and the Paul G. Allen Family Foundation. The fund now totals over \$29 million dollars. The Washington Families Fund fills an acute need—stable, long-term funding for services linked to affordable housing.

2004

2EHB 1645; Amending RCW 59.18

Protected the rights of victims of domestic violence, sexual assault, or stalking in the rental of housing; allowed victims to terminate a lease upon reporting and documentation of a crime; and, prohibiting landlords from discrimination against such a crime victim in renting.

2004

2ESSB 5536; Amending RCW 64.34

Expanded implied condominium warranties to the extent of defective materials, sound engineering and construction, workmanship, and compliance with all laws, while requiring a condo owner to show that the defect adversely affected the performance of the condo in a fashion that would be considered significant to a reasonable person.

2004

SB 5869; Amending RCW 48.62.0213; Adding a new section to chapter 48.62 RCW; and creating a new section.

Authorized nonprofit corporations to participate in self-insurance risk pools.

2003-2004

Increase in Housing Trust Fund to \$80 million

The Legislature maintained the existing Housing Trust Fund at \$78 million in 2003, a very difficult economic time, then increased its funding to \$80 million in 2004.

2003

HB 1786; Amending RCW 59.20

Amending the Mobile Home Landlord-Tenant Act relating to fire and safety standards, “park model” redefined and providing that eviction is covered by the Act.

2003

SB 5224; Amending RCW 43.185B.020

Adding a representative of for-profit rental housing owners to the Affordable Housing Advisory Board.

2003

ESB 5389; Amending RCW Adding a new section to 59.18 RCW

Stating conditions for housing to be designated as “drug and alcohol free” (clean and sober housing).

2002

HB 2060; RCW 36.22.178

Low Income Housing \$10 Surcharge - The Affordable Housing for All Surcharge

Recognizing the need for additional housing resources, and also understanding that affordable rents for extremely low-income people are not sufficient to cover the cost of building operations and maintenance, in 2002 the Legislature established a \$10 document recording fee to support both the development and operation of affordable housing. At the county level, this funding supports a variety of affordable housing needs for households at or below 50% of area median income. At the state level, fees are used to provide Operating and Maintenance (O&M) grants to subsidize the cost of serving households at or below 30% of area median income. O&M funds are also essential for seasonal-occupancy farmworker housing to cover fixed operating costs in the off-season. O&M funds have been critical to the successful operation of projects serving some of the most vulnerable populations, including homeless persons, persons with disabilities, and migrant farmworkers.

This surcharge was renamed in 2007 (E2SHB 1359) as the Affordable Housing for All Surcharge. It was intended to provide housing and shelter for extremely low-income households, including but not limited to grants for building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income households that require supplemental rent income to cover ongoing operating expenses. A portion of the funds are retained by the county and its cities and used for housing activities that serve very low income households with incomes at or below 50% of the area median income.

Eligible housing activities on the county level include acquisition, construction, or rehabilitation of housing projects or units; supporting building operation and maintenance costs of housing projects or units; rental assistance vouchers; and operating costs for emergency shelters and licensed overnight youth shelters. This recording fee surcharge served as the basis, and inspiration, for future surcharges to support homeless and other affordable housing programs which continue to provide critically needed financial resources to help the state of Washington and its many nonprofit partners provide safe, appropriate housing for individuals and families.

With the precipitous decline in fee revenues resulting from current economic conditions, the

availability of these resources has been drastically reduced and the sustainability of the program is threatened.

2002

HB 2357; Amending RCW 35.81 Community Renewal Law

The amendment provided housing authorities flexibility to serve as community renewal agencies on behalf of cities or counties.

2002

SHB 2466; Amending RCW 84.14

The minimum population cap is reduced from 50,000 to 30,000 population for the multifamily dwellings property tax exemption.

2002

2SSB 5354; Amending RCW 59.21 and adding a new section

Amended the Mobile Home Relocation Act to cover demolition and replacement expenses in cases where the home cannot be successfully moved. Assistance is limited to actual expenses up to \$7,500 for a doublewide and \$3,500 for a singlewide.

2002

SB 5594; Amending RCW 35.82 Public Housing Authorities

The amendment authorized housing authorities to contract with a public authority or corporation, created by a county, city or town under RCW 35.21.730 through 35.21.755, to act as the developer for new housing projects or improvements of existing housing projects.

2002

SB 5965; Adding a new section to 82.46 RCW

An additional real estate excise tax is authorized for counties equal to 0.5 percent of the selling price to be used exclusively for the development of affordable housing, including the acquisition, building, rehabilitation, maintenance and operation of housing for very low, low and moderate income persons and those with special needs.

2001

HB 2098; Amending RCW 84.36560 and 84.36.805

The property tax exemption for nonprofit entities providing low-income rental units is expanded to include spaces in mobile home parks and provide other eligibility guidelines.

2001

HB 2222; Amending RCW 38.52

Providing emergency earthquake and low-income energy assistance.

2001

SB 5197; Amending RCW 39.86 and 39.86.120

Increased Housing's Share of the State Bond Cap from 25% to 32%

Increasing the housing sector's share of the bond cap to 32% originally represented an increase of \$32 million each year.

2001

ESSB 5703; Amending RCW 43.22

Modifying manufactured home provisions regarding what is or is not an alteration to a mobile home.

2000

HB 2505; Amending RCW 84.14.010

The population threshold for cities that are eligible for the 10-year property tax exemption program for new, rehabilitated or converted multifamily housing is lowered from 100,000 to 50,000.

(Tacoma Bill)

2000

EHB 3105; Amending RCW 82.14.400

(Tacoma Zoo Bill) Authorizing a vote on a sales and use tax increase in Tacoma with revenues to be used for zoos, parks and housing for the mentally ill.

2000

SSB 6663; Amending RCW 59.28, 43.185A

Enhancing and enforcing notification procedures for Section 8 housing and authorizing the Department of Community, Trade and Economic Development to adopt policies for residential ownership housing, occupied by low-income households, which specify the percentage of income that may be spent monthly on housing costs and utilities to qualify as affordable housing.

1999

Housing Trust Fund Invests in Farmworker Housing

In 1999, the Legislature took another dramatic step toward supporting the development of farmworker housing in Washington. Recognizing that state funding toward affordable housing leverages private capital and provides flexibility the federal programs do not, the Legislature responded to Washington farmers' needs by providing \$8 million for a Farmworker Housing Program within the state Housing Trust Fund. Since that time, the Housing Trust Fund has invested millions towards the development of community-based housing for migrant and seasonal workers, including 1,332 year-round housing units for approximately 6,660 farmworkers and dependents, and 2,222 seasonal-occupancy beds as of 2012. This housing is operated by local nonprofits and public entities.

In 2000, a \$2 million federal grant was used to establish an on-farm housing loan program for agricultural employers. From 2005 to 2011 the Legislature appropriated an additional \$12 million in state funds to the program, creating or preserving a total of 7,028 grower-owned, on-farm beds. Today's agricultural employer needs the ability to house a locally-derived workforce or, when required,

H2A (guest) workers from abroad. Washington State’s Housing Trust Fund allows an investment in housing that can serve either local or guest workers, as demands change. As a result, Washington is currently a leader in the provision of living quarters for migrant and seasonal farm workers.

On-going appropriations to the Housing Trust Fund are essential if the state is to continue making progress in housing its workforce due to the lack of local funds in rural communities, low incomes of farm workers and global competition for agriculture. State funds are also critical to leveraging federal funds and private investment. Many local jurisdictions do not have adequate provisions in either city or county zoning to support affordable housing, including farmworkers, as required by the Growth Management Act.



East Oroville Harvest Park: 10 units of seasonally occupied farmworker housing in Oroville, Wash., can accommodate up to 76 people.

Owner: Oroville Housing Authority. Developer: Office of Rural and Farmworker Housing (Completed in 2011)

1999

HB 1345; RCW 84.36.560

Nonprofit Multifamily Low-Income Rental Properties Exempt from Property Taxes

At a time of rapidly rising operating costs which many Housing Trust Fund projects could not afford because of low rents, the Legislature adopted a tax exemption for nonprofit owned multifamily rental properties serving very low-income persons. This exemption is extremely significant to the affordable housing community as it currently represents a savings between \$12 and \$16 million dollars each year in operating costs. The exemption allows the Housing Trust Fund to invest in projects serving lower income families and individuals, and enables the properties to be financially viable and well maintained.

1999

HB 1378; Amending RCW 59.20.010

Amending the Mobile Home Landlord-Tenant Act to require managers to notify tenants of their intention to enter the mobile home and to place security deposits that exceed two months’ rent into an interest-bearing account to benefit the tenant; and, require local governments to send to the mobile home park owner a copy of any permit issued to move or install a unit.

1999

E2SHB 1493; Amending RCW 43.63A.650, 13.34.030 & 74.13.020

Establishing a collaborative effort to address housing needs of homeless children and their families.

1999

SB 5156; Amending RCW 35.82.040

Public Housing Authorities

The amendment expanded the membership of the board of a public housing authority to six if the membership of the board was required to have one member who was directly assisted by the authority.

1999

E2SSB 5843; Amending RCW 43.180.070 & 1983 c 161 s 7

Increased the Housing Finance Commission’s statutory debt limit from \$2 billion to \$3 billion.

1999

ESSB 5599; Amending RCW 70.114A, 43.70 and adding new sections to 49.17, 43.70 and replacing sections

Requiring the departments of Health and Labor and Industry to adopt joint rules for the licensing, operation and inspection of farmworker housing; and, to adopt an agreement with respect to the enforcement of temporary worker housing operation standards.

1998

HB 2598; Amending RCW 84.36.043

Eliminating the sunset on the property tax exemption for leased shelters for homeless families and victims of domestic violence which would have expired in 1999.

1998

HB 5622; Amending RCW 82.08.02915 & 82.12.02915

Made permanent the sales tax exemption on the construction of youth shelters.

1998

SB 6380; Amending RCW 59.21.010

Increased the amount of relocation grant assistance to owners of double-wide homes; amended the mobile home installer certification act; authorized private mobile home installer training courses subject to state approval; and, required installation permits to include the name, registration number and work completed by each installer on a mobile home

1998

SB 6737; Amending RCW 84.36.800

Gave a real and personal property tax exemption to property owned or leased by a 501 (C) (3) nonprofit organization to provide housing for eligible persons with developmental disabilities.

1998

HB 2175; Amending RCW 35.82

Public Housing Authorities

The board composition of housing authorities was revised to address the board composition of the Thurston County and Seattle housing authorities.

1997

HB 1928; Amending RCW 43.180.080

Giving the Housing Finance Commission compliance and enforcement abilities by allowing it to impose covenants running with the land.

1997

HB 2189;

Creating new sections; and providing an expiration date

Creating a task force to study financing for senior housing and housing for persons with disabilities.

1997

SB 5193; Amending RCWs 82.08.02745 & 82.1202685

The exemption from the sales and use tax (which was previously available only for agricultural employee housing provided by an employer) is extended to agricultural employee housing provided by housing authorities, government agencies and nonprofit organizations.

1997

SB 5529; Adding a new section to chapter 59.18 RCW

Requiring a landlord to provide a written receipt for any payment made by a tenant.

1997

SB 5672; Amending RCW 69.50.435

Public Housing Authorities

Public housing projects designated by a local governing authority as drug-free zones were added as a new category to the current list of places where the penalties for drug-free related crimes are doubled.

1997

SB 6094; Amending RCW 36.70A.030

The multifamily housing tax exemption is expanded to allow cities with a population of at least 100,000 to be eligible.

The program of tax incentives that allows cities with populations over 150,000 to provide a ten-year property tax exemption for multi-family housing in urban centers (the Tacoma Bill) was expanded to allow cities with a population of at least 100,000 to be eligible. If no city has a population of at least 100,000, the largest city in a county became eligible for the property tax exemption. Cities may adopt low or moderate income occupancy requirements to allow tax exemptions for construction/renovation of multi-family buildings in urban centers.

1996

HB 2778; RCW 82.08.02745

Sale and Use Tax Exemption for Farmworker Housing

Agriculture is one of the largest employment sectors in Washington with over 35,000 farms. Washington's agricultural industry is one of the largest users of migrant and seasonal farm workers in the nation. Like any industry, agriculture must compete for a workforce. An employers' ability to recruit and retain qualified, productive workers is paramount. Affordable housing provides a significant incentive to recruit and retain an agricultural workforce, however securing and maintaining decent housing for workers and their families has been a constant challenge in Washington. A recent statewide survey of farm workers found that 91% said that more and better housing would encourage them to continue working in Washington agriculture.

In 1995, the Legislature undertook its first major initiative in recognition of the importance of decent housing for the state's agricultural workers by exempting labor and services rendered in constructing, repairing, decorating, or improving new or existing buildings or other structures used as agricultural employee housing from sales tax. Sales of materials that become components of new or existing agricultural employee housing is also exempt from sales tax. These exemptions apply to year round housing that is used for at least five years to house agricultural workers.

1996

SB 6274; Amending RCW 43.163.210

Increasing the debt limit of the Housing Finance Commission to from \$1.5 billion to \$2 billion.

1995

HB 1611;

Adding new section to chapter 82.08 RCW

Exempting the sales tax on new construction materials for youth shelters.

1995

HB 1725; Amending RCW 35.82

Public Housing Authorities

The amendment enhanced provisions for housing authorities to issue bonds.

1995

2SSB 5387; RCW 84.14.020

Property Tax Exemption Supports Urban Housing Projects

Following a request from the City of Tacoma for tools to help revitalize the downtown area and waterfront, the Legislature granted a 10-year property tax exemption for urban housing preservation and renewal projects in locally designated areas. The exemption created an incentive for housing developers to acquire and rehabilitate abandoned buildings or construct new apartments in dilapidated urban centers, bringing residents back downtown. The exemption is an economic development tool for local governments to attract multifamily rental and ownership housing in neighborhoods targeted for growth. The program was for cities with populations above 50,000.

1995

SB 5748; Amending RCW 49.60.010

The Fair Housing Act Equivalency Bill, bringing state law in line with the federal Fair Housing law.

1995

ESSB 5868; Amending RCW 59.21.010

Reactivating the mobile home relocation program and allowing \$1.3 million in the fund, and interest, to be used for relocation costs.

1994

HB 2160; Amending RCW 43.43.830

Authorized public housing authorities to do background checks on employees that work with vulnerable populations.

1994

HB 2190; Amending RCW 43.185.050

Allowing Tribes access to the Housing Trust Fund and allowing repayments to be used for administration costs up to 4% and mortgage assistance loans.

1994

HB 2275; Amending RCW 43.63A.600

Allowing loan repayments in the Emergency Mortgage and Rental Assistance program for timber impacted communities to be kept locally and reused in the program.

1994

HB 2627;

Adding new sections to chapter 43.180 RCW

Directing the Housing Finance Commission, in conjunction with the State Investment Board, to provide mortgage financing for single family homeownership from State retirement funds.

1993

HB 1476;

Federal Fair Housing Act Equivalency Law

This bill extends fair housing protection to families with children and to the handicapped in the state of Washington which is substantially equivalent to Federal Law. This bill established an administrative and judicial enforcement mechanism for discriminatory housing practices.

Washington’s law prohibits discrimination in real estate transactions on the basis of sex, marital status, race, creed, color, national origin, handicap, or use of a guide dog. The bill also adopted accessibility standards to provide dwelling unit access by disabled persons (replacing “handicap” with “disability”). It is considered discrimination and an unfair practice to refuse to permit a person to make modifications to existing dwellings, or failure to design and construct dwelling to federal accessibility standards.

1993

ESHB 1562; RCW 84.52.043

Authorizing local governments to exceed statutory property tax limitations for the purpose of financing affordable housing.

Voters of a county, city or town may approve a ballot proposition authorizing to impose additional regular property tax levies, of up to 50 cents per \$1,000 of assessed valuation for up to ten consecutive years. This tax is above statutory cumulative rate limitations, but within the constitutional one percent limitation. Such levies are authorized by a simple majority vote. Prior to imposing these levies, the county, city or town must declare that a housing affordability emergency exists for very low-income households within its boundaries.

1993

EHB 1824; Amending RCW 43.63A.510, 36.34.135, and 47.12.063

Authorizing Conversion of Surplus Public Property to use for Affordable Housing

Due to rising cost of land and construction, the ability to develop affordable housing for low-income and special needs population has increasingly intensified. In order to lower the cost of housing, one technique involves identifying all land suitable for construction of affordable housing. With concern that local governments and school districts may have under-utilized land and buildings, the Legislature directed the Department of Community Development to work on an inventory of state-owned land and buildings for possible lease as sites for affordable housing. In doing so, this act provides a centrally located inventory of state and publicly owned land and buildings that may be suitable to be marketed, sold, leased, or exchanged for the development of affordable housing; and encourages an effective use of publicly owned surplus property.

1993

HB 2073; RCW 84.36.041

Broadening the Eligibility of Nonprofit Homes for the Aging for Exemption from Property Taxation

Nonprofit homes for the aging are residential housing facilities for persons at least 62 years of age. The 1993 bill HB 2073 expanded the number of such homes that are eligible for a full property tax exemption to include homes subsidized by HUD, homes financed with tax-exempt bonds requiring low income set asides and homes in which at least 50% of tenants are below the income threshold of 80% of the county median income. Other homes, serving low income persons are eligible for a partial exemption.

1993

SB 5482;

The Mobile Home Landlord Tenant Act

Regulates the relationship between the owner of a mobile home park and the tenants of the park should the park be put up for sale. Qualified tenant organizations, consisting of 60 percent of tenants, which provide the owner a written notice of intent to purchase the park, have 90 days to present a fully executed purchase sale agreement to the owner, along with one percent of the purchase price. If these conditions are met, the owner must sell the mobile home park to the tenant organization.

1993

SB 5584; RCW 43.185B.020

The Housing Policy Act and the Affordable Housing Advisory Board

In the 1993 landmark Housing Policy Act, the Washington Legislature established the policy base for the state's involvement in housing and created the Affordable Housing Advisory Board (AHAB) to advise the Department of Commerce on housing policy issues. AHAB's board of 19 represents a broad range of public and private housing interests which come together in a spirit of collaboration to study housing issues and recommend solutions. Included on the board are persons representing the construction industry, mortgage industry, real estate, apartment management, nonprofit housing developers, public housing authorities, and local governments. AHAB has wrestled with issues such as housing for migrant and seasonal farm workers, the increasing cost of liability insurance for housing developers and the creation of additional subsidy programs to support local affordable housing development. Their recommendations have become the basis for countless pieces of successful housing legislation.

1991

HB 1740;

Revises provisions relating to housing authorities which provide housing for low-income persons.

Revisions are made to the state’s Housing Authority and Housing Cooperation Laws in the following areas: 1) General powers of the public housing authority: Public housing authorities are authorized to participate in the organization or operation of a nonprofit organization that provides or assists in developing low-income housing. Housing authorities are required to own either 50 percent of the total interior space of the development or at least 50 percent of the dwelling units, whichever produces the greatest number of units for low-income persons. This provision also applies to mobile home parks developed or assisted by the housing authority; 2) the issuance of bonds: Housing authorities are authorized to issue taxable revenue bonds. The proceeds from the bond sales are then used to provide housing for persons of low-income.; 3) Establishment and operation of group homes and halfway houses serving juveniles and the developmentally disabled: All housing authorities are allowed to establish and operate group homes or halfway houses to serve juveniles and the developmentally disabled. Housing authorities are also authorized to provide support or supportive services to facilities that serve juveniles, the developmentally disabled or other persons who are disabled, and the frail elderly, whether or not they are operated by the public housing authority; and 4) the definition of a public body: Under the Housing Cooperation Law, definition of state public body is expanded to include the state of Washington as a public body that can cooperate with a local public housing authority to meet the housing needs of low-income persons. State public bodies are authorized to grant an interest in any property to a local public housing authority in addition to the power to sell or lease the property to be used to provide housing for low-income persons.

1990

HB 2861;

Regulation of Manufactured Housing

1990

HB 2272;

Mobile Home Landlords

1990

HB 2907;

Mobile Home Relocation Bill

1986

E2SSB 4626; RCW 53.185 & 43.185A

The Housing Trust Fund is created

The Housing Trust Fund was established in statute in 1986 and the Housing Assistance Program was created “to assist low and very low-income citizens in meeting their basic housing needs.” In 1991, the Housing Trust Fund was expanded to include the Affordable Housing Program, serving households at or below 80% of area median income and creating downpayment assistance opportunities. Opened with a mere \$1 million investment in 1986, the Washington Housing Trust Fund (HTF) has become the primary vehicle for the state's direct investment in affordable housing.

The HTF supports the construction, acquisition or rehabilitation of more affordable housing every two years when fully funded; creates rental and homeownership opportunities in every region of the state for low-income people (more than 70% of units serve extremely low-income people); and supports special needs housing for clients of the Department of Social and Health Services and the Department of Health. Given that the investment by the state through the HTF returns five dollars for every dollar the state invests and given the fund's proven track record of providing quality homes that allow people to improve their lives, reducing or eliminating their need for social services, the Legislature has tried to invest in the HTF even in difficult economic times.

1983

SB 3245; RCW 43.180

Washington creates the Washington State Housing Finance Commission

(See also “About the Commission” in this document.)

In May 1983, Governor John Spellman signed legislation creating the Washington State Housing Finance Commission. One of the last states to establish a housing finance agency, Washington was in the grip of a recession that included high unemployment and mortgage interest rates exceeding 20 percent. Housing advocates, lenders, and businesspeople came together to establish the Commission as a public-private partnership that could help the economy. For more on the Commission’s history and impact, visit www.wshfc.org.



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

1983

Amended RCW 35.82

Public Housing Authorities

The amendment provided terms for the form and sale of bonds.

1982

Operating Budget

Washington Creates and Supports Homeless Shelters

The first commitment of public funds for housing in Washington State by the Legislature consisted of a \$1 million appropriation for operating support of homeless shelters. The Legislature consistently continues to support homeless shelters through funding sources including the Emergency Shelter Assistance Program (ESAP), Emergency Shelter Homeless Prevention (ESHP) and Overnight Youth Shelter (OYS) programs.

1939

RCW 35.82

Washington Authorizes the Creation of Public Housing Authorities

In the late 1930s and early 1940s, Washington responded to the call of the federal government for states to take greater action to give individuals and families access to affordable housing by authorizing the creation of public housing authorities. Washington has become known for its high quality, progressive and forward-thinking public housing developments and, through state resources such as the Housing Trust Fund, continues to preserve its public housing stock.

Today, Washington’s network of public housing authorities – large, medium and small – are considered some of the best in the country.

Valle Lindo Homes: Built by the Walla Walla Housing Authority in 2011; 60 units plus a community building funded by the Housing Trust Fund, Housing Tax Credits and private debt.

“We are so grateful to be in this new home. It means a lot to live in a place like this for our family and we really appreciate the housing authority for working with us to make this happen.” — Jose & Maria

