



## 2020 Housing Alliance Lead and Support Agenda

Current as of 12-19-19.

### Lead agenda

**Investing \$10 Million into the Housing Trust Fund for preservation of affordable homes.**

Many currently affordable homes across Washington are at risk of being lost to the for-profit market. An additional appropriation for the Housing Trust Fund in the state’s Supplemental Capital Budget would help save homes and prevent the displacement of people living in them.

More details:

This would preserve affordable homes already subsidized but at risk of loss. Funds could be used for the preservation of all units at risk of loss, including USDA properties in rural communities and homes funded with Low Income Housing Tax Credits.

**Requiring a legitimate business reason to make someone move.**

Currently in Washington State, landlords can end a month to month lease and make a tenant move without even telling the tenant why. This is a loophole in Washington’s fair housing laws and other legal protections for tenants. Additionally, the fear of getting a twenty-day no cause notice to move is a common reason tenants don’t assert their rights under the law. Landlords should not be able to make someone move unless they have a legitimate business reason and they should not be allowed to provide such little notice.

**Representative Macri & Senator Kuderer**

More details:

SHB 1656 would require a landlord to have a legitimate business reason to make someone move and require more than twenty-days notice. The amended bill includes a variety of reasons similar to Seattle’s Just Cause Eviction Ordinance, but HB 1656 also applies to month to month tenancies.

**Requiring a move-in fee installment payment plan over a three-month period when a tenant requests it.**

Moving costs, including first and last month’s rent, deposits, and fees can add up to thousands of dollars and is a major hurdle for people trying to transition out of homelessness. Allowing tenants a three-month payment plan to cover these move-in costs will help address this significant barrier.

**HB 1694/Morgan**

More details:

HB 1694 does not regulate fees, but it requires a landlord to accept a tenant’s request for a three-month payment plan for all the move in fees, deposit and first/last month’s rent.

<p><b>Creating a Real Estate Excise Tax exemption for selling to a nonprofit who acquires it for affordable housing.</b></p> <p><b>Representative Walen</b></p>	<p>The lack of properties available to develop multifamily housing and the inability to compete with for-profit developers to acquire existing properties is a significant issue facing nonprofit affordable housing developers across the state. Providing a Real Estate Excise Tax (REET) exemption when selling to a nonprofit or public housing authority for affordable housing will incentivize preserving or developing affordable homes.</p> <p>More details: All sales or transfers of real property to a nonprofit entity, public development authority, or public housing authority would be exempt from the REET if the purchasing entity records a covenant requiring the property to be used for affordable housing.</p>
<p><b>Eliminating the ABD shelter penalty.</b></p> <p><b>Representative Leavitt</b></p>	<p>The Aged, Blind, or Disabled (ABD) cash grant program serves extremely low-income people with disabilities who are in the process of applying for federal Supplemental Security Income (SSI) assistance. The ABD cash grant was dramatically cut from \$339/month to \$197/month during the Great Recession and the shelter penalty was implemented which lowers the cash grant even further to \$120/month for an individual who is deemed to not have out-of-pocket housing expenses. The ABD cash grant is a critical resource for addressing basic needs and every ABD recipient should be able to access the full \$197.</p> <p>More details: This impacts about 15 percent of ABD recipients who are already struggling to make ends meet. While there is more work needed to increase the ABD cash grant, eliminating the shelter penalty is a common-sense step the legislature can take during a supplemental budget year to address the needs of an extremely low-income disabled population. The Operating budget impact for fiscal year 2021 is estimated to be \$2.5 million.</p>
<p><b>Fixing the property tax exemption for affordable rental housing for very low-income households.</b></p> <p><b>Representative Doglio and Senator Kuderer</b></p>	<p>Nonprofit affordable housing is currently granted a property tax exemption under certain circumstances, but it needs to be adjusted to work with the needs of today's affordable housing providers. If a tenant's income increases — which it often can because affordable housing stabilizes lives and improves employment opportunities — housing providers can be required to pay the full property tax. This unpredictability drives funders to require significant up-front cash reserves which can significantly increase the cost of building affordable homes.</p> <p>More details: This bill would adjust the initial target income of tenants from 50% of Area Median Income (AMI) and below, to 60% AMI and below to apply to more people. It would also eliminate the wildcard of future tax liability by allowing a tenant to increase their income without it triggering a tax liability for the property. Current law has this safeguard but limits it to properties of 10 units or less. This change would also require the apartment to be rented on vacancy to someone at 60% AMI or below. The Operating Budget impact is unknown, but likely very modest.</p>

**Allow the local option for a 1/10 of 1% sales tax increase for affordable housing to be implemented by local electeds.**

**Representative Doglio and Senator Hunt**

Local jurisdictions need more options to generate local funds for affordable homes. The state authorizes local options but oftentimes creates significant barriers to their passage. The 1/10 of 1% sales tax option currently requires an electoral process which is expensive and time-consuming. Local elected officials should be able to implement the options that state has granted.

More details: HB 1590 would allow the current 1/10 of 1% sales tax funding option for affordable homes to be enacted through a simple majority vote of the city or county council. Local governments could still send it to the voters, but under HB 1590 they would not be required to.

**Additional lead agenda items include trailer bills to key policies passed in 2019: SB 5600/Kuderer (eviction reform), HB 1923/Fitzgibbon (addressing impediments to density and affordable housing) and HB 1406/Robinson (local funding for affordable homes).**

### **Support agenda**

**Enacting a state level prohibition on rent gouging.**

**Representative Macri**

Rents are sky-high across Washington State and there is no limit on how much, or how often, for-profit landlords can raise the rent. There is a direct correlation between rent increases and increases in homelessness. In order to keep people in their homes, Washington should follow the lead of California and Oregon and implement controls on rent increases. The Housing Alliance would support a bill which does the following:

- Applies to both multifamily and single family rental homes;
- Controls rents at vacancy to prevent incentives to displace long-term tenants;
- Caps year over year rent increases ideally no more than 3%;
- Exempts affordable housing funded with state, local or federal funds, that is owned or operated by a nonprofit or public housing authority and seasonal farmworker housing.

Lead organization: Tenants Union of Washington State

**Ensuring that the Housing Trust Fund's geographic distributions are met for rural housing.**

When the Housing Trust Fund was created it required that 30% of each appropriation be used to support affordable housing in rural Washington. This is still standing law, but as earmarks and restricted categories in the Housing Trust Fund (HTF) have become increasingly common, the 30% requirement has been compromised. This proposal would clarify that rural Washington be entitled to 30% of the entire HTF appropriation, not just the competitive portion, in any given year. This proposal supports farmworker housing and other rural affordable housing to reduce overcrowding, get families out of substandard conditions and out of homelessness.

	Lead organization: Office of Rural & Farmworker Housing
<b>Establishing a Communities of Concern public development authority.</b>	<p>This proposal supports the Communities of Concern Commission in seeking public development authority status to access funding to build self-determined capital assets in their respective communities to reduce poverty. This includes Capital Budget and Operating Budget requests of \$1 million each.</p> <p>Lead organization: Catholic Community Services of Western Washington</p>
<b>Amending the definition of “first time homebuyer.”</b>	<p>This proposal would broaden the definition of First Time Homebuyer to include more people such as people who have owned manufactured homes or are displaced homemakers.</p> <p>Lead organization: Opal Community Landtrust</p>
<b>Reversing the cuts to TANF made during the great recession.</b>  <b>Senator Nguyen and Representative Entenman</b>	<p>This proposal addresses the deep cuts that Washington made to TANF during the Great Recession. These cuts were achieved by implementing harsh sanctions and time limit policies as well as other restrictions and requirements. The result is that our current TANF caseload is at an all-time low in Washington State, despite simultaneous rise in deep poverty. Additionally, data shows that those with the highest barriers to stability are more penalized by these policies. One-third of those penalized at the time were homeless, more than 70 percent had a mental health need, and the penalties disproportionately impact communities of color. This is an Operating Budget proposal which is estimated to cost \$57 million per biennium.</p> <p>Lead organization: Statewide Poverty Action Network</p>
<b>Fixing loopholes in deposit protections and increasing protections against post-tenancy debt.</b>  <b>Representative Thai</b>	<p>The bill addresses a growing problem of tenants being billed for replacement of expensive fixtures, such as carpets or paint jobs, when the damage was not caused by the tenant. Exaggerated post-tenancy claims for damages are a significant component of tenant debt, which be a barrier to moving into a future home. This bill would help reduce the total amount of post-tenancy debt by addressing one of its most significant drivers. Additionally, it will update the definition of "normal wear and tear," require increased documentation from landlords to substantiate damage claims, and create a remedy for tenants whose landlords fail to comply with the documentation requirements. It will also limit the landlords' ability to send claims on to a collection agency.</p> <p>Lead organization: Columbia Legal Services</p>
<b>Providing 3-year notice of closure of manufactured housing communities.</b>	<p>Manufactured homeowners need more time to make informed decisions when the land under their homes is sold for redevelopment. They will lose their largest asset and the current statute does not give them enough time to make proper arrangements. It will amend RCW 59.20.080. The bill was first introduced in 2018.</p> <p>Lead organization: Association of Manufactured Homeowners</p>

<p><b>Representative Gregerson and Senator Das</b></p>	
<p><b>Creating an opportunity for homeowners to purchase their manufactured housing community.</b></p> <p><b>Representative Duerr and Senator Kuderer</b></p>	<p>The Opportunity to Purchase would provide a way for manufactured homeowners to purchase land collectively to preserve their community and allow this affordable form of home ownership to remain viable for low income families in the future.</p> <p>Lead organization: Association of Manufactured Homeowners`</p>
<p><b>Enacting a Housing Justice Bill to prevent categorical denial of housing to people with criminal records.</b></p> <p><b>Senator Darneille</b></p>	<p>People of color are significantly more likely to be impacted by the criminal justice system at every level, even when they have committed the same crimes as white people. Policies that deny housing to people who have previously been involved with that system compound that inequity and create barriers for people of color, especially African Americans, to accessing housing.</p> <p>The Washington Statewide Reentry Council is leading this effort and has been working with a large stakeholder group to develop language. Key elements of the proposal include a prohibition on landlords denying or making available any rental unit to a tenant/prospective tenant based on their dismissed charges, successful diversion, expungements, or juvenile records, or if they have obtained a certificate of restoration of opportunity (CROP).</p> <p>Lead organization: Washington Statewide Reentry Council</p>
<p><b>Extend the Working Connections Childcare Homeless Grace Period from 4 to 12 months.</b></p> <p><b>Representative Callan and Senator Nguyen</b></p>	<p>Improve access to high quality childcare for children experiencing homelessness by extending the current WCC “homeless grace period” from 4 to 12 months. This will provide more time for a family to meet the full eligibility requirements of the Working Connections Child Care subsidy. Data from the first two years of the program demonstrate that four months was not enough time for 50% of homeless families. This extension will offer families and children more opportunity for stability.</p> <p>Lead organization: Child Care Resources</p>

<p><b>Adding a statutory definition of “permanently affordable homeownership”.</b></p>	<p>As legislators become more interested in the term "permanently affordable," it is important to add a statutory definition for "permanently affordable homeownership." This definition would codify best practices and will help to assure a shared standard. The addition of this definition is a protective measure so that future policy makers and stakeholders can be confident that they mean the same thing when using the term.</p> <p>Lead organization: Opal Community Landtrust and the Northwest Community Land Trust Coalition</p>
<p><b>Reducing documentation barriers for young adults experiencing homelessness.</b></p> <p><b>Representative Callan and Senator Liias</b></p>	<p>Improving access to state ID for youth and young adults experiencing homelessness – establish an ID verification letter for homeless youth that mirrors a similar one for foster youth to reduce documentation barriers for ID.</p> <p>Lead organization: Mockingbird Society</p>
<p><b>Establishing long-term housing options for minors experiencing homelessness.</b></p>	<p>This is a \$1 million Operating Budget request for the Office of Homeless Youth to contract with licensed providers for transitional housing beds for 16 &amp; 17 year olds. This would fund 15 new beds.</p> <p>Lead organization: Mockingbird Society</p>