

Memo

To: King County Affordable Housing Committee Members
From: McCaela Daffern, Regional Affordable Housing Implementation Manager
cc: Housing Interjurisdictional Team
Date: November 12, 2021
Re: 2022 AHC State Legislative Agenda Update

Summary

At the November 17 Affordable Housing Committee (AHC or Committee) meeting, the Committee will vote to adopt a 2022 State legislative agenda. Members will have 25 minutes to review the proposed priorities, discuss amendments, and form a vote. This report summarizes the process to date for developing the draft agenda and next steps. Below is a summary of the included exhibits:

- Exhibit A: Draft 2022 AHC State legislative priorities
- Exhibit B: Proposed amendments to draft 2022 AHC State legislative priorities
- Exhibit C: Crosswalk of AHC State legislative priorities
- Exhibit D: Information on California housing-related bills
- Exhibit E: Legislative agendas from housing policy-interested organizations sent to staff to share with the Committee for awareness and possible alignment

Process to Date

The Committee adopted a work plan item to develop and adopt a 2022 state legislative agenda. In consultation with the Housing Interjurisdictional Team (HIJT), staff drafted an agenda guided by these principles:

- Advance the AHC's [Shared Revenue Principles](#)¹
- Support implementation of [2021 AHC State Legislative Agenda](#)²
- Resurface 2021 AHC adopted legislative priorities that did not pass last session

At the September 29 AHC meeting, members reviewed and discussed the draft agenda. The only feedback offered was a suggestion to review California's recent housing legislation to determine if anything was replicable in Washington State. In response, a HIJT member with the Housing Development Consortium prepared a summary of some of the California legislation (see *Exhibit D*). After the meeting, members were invited to email proposed amendments and share other legislative agendas from housing policy-interested organizations.

Next Steps

Committee members are encouraged to review the exhibits in preparation for the November 17 AHC meeting. Members will vote on the legislative agenda and amendments during the meeting and can suggest other amendments for consideration. Following adoption, the Chair will share the adopted legislative priorities with state legislators. Members may refer to these priorities during the 2022 state legislative session.

¹ https://kingcounty.gov/~media/depts/community-human-services/housing-homelessness-community-development/documents/affordable-housing-committee/AHC_Shared_Revenue_Principles_.ashx?la=en

² https://kingcounty.gov/~media/depts/community-human-services/housing-homelessness-community-development/documents/affordable-housing-committee/2021_AHC_StateLegislativeAgenda.ashx?la=en

Exhibit A: Draft 2022 Affordable Housing Committee (AHC) State Legislative Priorities

1. Increase capital resources for affordable housing

- a. Increase existing funding sources like the Housing Trust Fund and authorize new, progressive sources that do not disproportionately burden low-income households, to the greatest extent possible.
- b. Ensure new housing revenue tools retain local flexibility to support uses including:
 - i. Capital investments and ongoing operating and services support for new and existing projects serving 0-30% AMI households. This includes support for permanent supportive housing and workforce 0-30% AMI housing.
 - ii. Projects that promote access to opportunity, anti-displacement, and wealth building opportunities for Black, Indigenous, and People of Color communities.

2. Support local jurisdictions planning for increasing affordable housing

- a. Provide funding for jurisdictions to update their comprehensive plans to increase opportunities for affordable housing and counter displacement. This funding would support implementation of 2021's [E2SHB 1220](#).³

3. Support housing stability through tenant protections and COVID-19 recovery

- a. Support housing stability as part of COVID-19 recovery by maintaining and strengthening current pandemic-related renter protections.
- b. Pass the Housing Justice Act to ban discrimination against renters based on a prior criminal record ([SB 6490](#)⁴/[HB 2878](#)⁵ from 2020).

³ <http://lawfilesexternal.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/House/1220-S2.SL.pdf?q=20210908084934>

⁴ <https://app.leg.wa.gov/billsummary?BillNumber=6490&Initiative=false&Year=2019>

⁵ <https://app.leg.wa.gov/billsummary?BillNumber=2878&Chamber=House&Year=2019>

Exhibit B: Proposed Amendments to Affordable Housing Committee State Legislative Priorities

Amendment #	Sponsor	Summary	Amendment
Section 1 Amendments			
1.1	Stephen Norman, King County Housing Authority	Specify support for creating permanent funding for affordable housing, like that proposed in a bill to eliminate a business and occupation tax deduction for financial institutions to fund affordable housing	<p>1. Increase capital resources for affordable housing</p> <ul style="list-style-type: none"> a. Increase existing funding sources like the Housing Trust Fund, <u>to include creating a permanent funding source like that provided for in SB 5138</u>, and authorize new, progressive sources that do not disproportionately burden low-income households, to the greatest extent possible. b. Ensure new housing revenue tools retain local flexibility to support uses including: <ul style="list-style-type: none"> i. Capital investments and ongoing operating and services support for new and existing projects serving 0-30% AMI households. This includes support for permanent supportive housing and workforce 0-30% AMI housing. ii. Projects that promote access to opportunity, anti-displacement, and wealth building opportunities for Black, Indigenous, and People of Color communities.
1.2	Susan Boyd, Bellwether	Specify the amount of Housing Trust Fund increase sought and the source of funds	<p>1. Increase capital resources for affordable housing</p> <ul style="list-style-type: none"> a. Increase existing funding sources like the Housing Trust Fund and authorize new, progressive sources that do not disproportionately burden low-income households, to the greatest extent possible. <u>In particular, allocate at least \$400 million of one-time federal ARPA funds available in the 2022 State budget to fund the production of affordable housing.</u> b. Ensure new housing revenue tools retain local flexibility to support uses including: <ul style="list-style-type: none"> i. Capital investments and ongoing operating and services support for new and existing projects serving 0-30% AMI households. This includes support for permanent supportive housing and workforce 0-30% AMI housing.

Amendment #	Sponsor	Summary	Amendment
			<ul style="list-style-type: none"> ii. Projects that promote access to opportunity, anti-displacement, and wealth building opportunities for Black, Indigenous, and People of Color communities.
1.3	Susan Boyd, Bellwether	Increase the income limit for new revenue to align with the Regional Affordable Housing Task Force's focus on at or below 50% AMI	<p>1. Increase capital resources for affordable housing</p> <ul style="list-style-type: none"> a. Increase existing funding sources like the Housing Trust Fund and authorize new, progressive sources that do not disproportionately burden low-income households, to the greatest extent possible. b. Ensure new housing revenue tools retain local flexibility to support uses including: <ul style="list-style-type: none"> i. Capital investments and ongoing operating and services support for new and existing projects serving 0-350% AMI households. This includes support for permanent supportive housing and workforce 0-350% AMI housing. ii. Projects that promote access to opportunity, anti-displacement, and wealth building opportunities for Black, Indigenous, and People of Color communities.
1.4	Alex Brennan, Futurewise	Add a new priority on housing benefit districts	<p>1. Increase capital resources for affordable housing</p> <ul style="list-style-type: none"> a. Increase existing funding sources like the Housing Trust Fund and authorize new, progressive sources that do not disproportionately burden low-income households, to the greatest extent possible. b. Ensure new housing revenue tools retain local flexibility to support uses including: <ul style="list-style-type: none"> i. Capital investments and ongoing operating and services support for new and existing projects serving 0-30% AMI households. This includes support for permanent supportive housing and workforce 0-30% AMI housing. ii. Projects that promote access to opportunity, anti-displacement, and wealth building opportunities for Black, Indigenous, and People of Color communities.

Amendment #	Sponsor	Summary	Amendment
			c. <u>Support a bill giving authority to counties and cities to establish a housing benefit district for affordable low- and middle-income housing projects (HB 1128).</u>
Section 2 Amendments			
2	Alex Brennan, Futurewise	Add a new priority supporting funding for communities to engage in comprehensive planning and make it clear that both policies are in support of implementation of E2SHB 1220	2. Support local jurisdictions planning for increasing affordable housing <ol style="list-style-type: none"> a. Provide funding for jurisdictions to update their comprehensive plans to increase opportunities for affordable housing and counter displacement. This funding would support implementation of 2021's E2SHB 1220. b. <u>Provide funding for community-based organizations from impacted communities to engage in the comprehensive plan process and shape local strategies to prevent displacement and undo racially biased exclusionary policies. This funding would support implementation of 2021's E2SHB 1220.</u>
Section 3 Amendments			
3	Susan Boyd, Bellwether	Expand the ways in which the AHC supports housing stability to include financial support for low-income households	3. Support housing stability through <u>increased financial support to low-income, tenant protections and COVID-19 recovery</u> <ol style="list-style-type: none"> a. <u>Give our lowest income community members expanded access to housing by increasing payment levels under the Aged, Blind and Disabled (ABD) program (State program that bridges the financial assistance provided by SSI while individuals are going through the lengthy federal Supplemental Security Insurance (SSI) application process) from \$197/month to \$295/month; and continue the existing Housing and Essential Needs (HEN) voucher pilot program, which allows individuals to retain HEN vouchers even though they have moved from ABD to SSI.</u> ab. Support housing stability as part of COVID-19 recovery by maintaining and strengthening current pandemic-related renter protections.

Amendment #	Sponsor	Summary	Amendment
			<u>bc.</u> Pass the Housing Justice Act to ban discrimination against renters based on a prior criminal record (SB 6490 ^[1] / HB 2878 ^[2] from 2020).
Section 4 Amendments – New Section			
4.1	Stephen Norman, King County Housing Authority	Add a new priority in support of a Real Estate Excise Tax Exemption for affordable housing in support of affordable housing preservation	<u>a.</u> <u>Pass a Real Estate Excise Tax Exemption for affordable housing. The legislature passed HB 2634 in 2020, but it was vetoed due to pandemic-related budget concerns. Enacting this exemption would contribute to the committee’s efforts to preserve the existing supply of affordable housing in King County by incentivizing property sales to non-profit or public entities and lowering the cost of property purchases.</u>
4.2	Stephen Norman, King County Housing Authority	Add a new priority in support of manufactured housing community policies that allow tenants and nonprofits the opportunity to purchase and require longer closure notices to tenants	<u>b.</u> <u>Preserve manufactured housing communities. Support state policies that provide tenants and nonprofit organizations the opportunity to purchase manufactured housing communities (HB 1100) and require longer notices for closures of manufactured housing communities (SB 5079). There are currently over 8,600 households living in manufactured housing communities – almost entirely in suburban King County. These communities represent a vital affordable housing resource for low-income people in King County and many are at risk of closure, redevelopment, or substantial pad rent increases.</u>
4.3	Stephen Norman, King County Housing Authority	Create a new section if amendments 4.1 or 4.2 pass	4. <u>Preserve the supply of affordable housing</u>
Section 5 Amendments – New Section			
5	Stephen Norman, King County Housing Authority	Add new section and priority in support of the Health and Homes Act	5. <u>Increase capital, services, and operations & maintenance resources for permanent supportive housing for populations experiencing chronic homelessness</u> <u>a.</u> <u>Support the Health & Homes Act of 2022</u> <u>i.</u> <u>Immediately expand the supportive housing supply statewide by prioritizing a substantial portion of ARPA dollars for a dedicated fund to reduce unsheltered homelessness through</u>

[1] <https://app.leg.wa.gov/billssummary?BillNumber=6490&Initiative=false&Year=2019>

[2] <https://app.leg.wa.gov/billssummary?BillNumber=2878&Chamber=House&Year=2019>

Amendment #	Sponsor	Summary	Amendment
			<p><u>the rapid acquisition of currently available housing units for quick conversion into transitional or affordable housing, for populations experiencing chronic homeless.</u></p> <p>ii. <u>Increase case management by investing \$60 million for services, such as substance use disorder and mental health treatment, and expand case management to assist in navigating persons experiencing homelessness into emergency shelters and permanent housing solutions.</u></p> <p>iii. <u>Expand Apple Health state funding to establish an ongoing revenue stream for medically necessary supportive housing by authorizing select doctors and nurse practitioners to write a prescription for income qualified affordable housing, including capital construction, services, and operations & maintenance dollars. Partner with Housing Authorities, Public Development Authorities, and certified non-profit housing developers to bond against the revenue stream and develop and operative medically prescribed permanent supportive housing programs for populations experiencing chronic homeless.</u></p>
Section 6 Amendments – New Section			
6	Alex Brennan, Futurewise	Create a new priority in support of planning for climate change	<p><u>6. Plan for housing near jobs and transit to improve the state’s climate response</u></p> <p>a. <u>Add a climate element to comprehensive plans.</u></p> <p>b. <u>Require local planning to reduce greenhouse gas emissions and vehicle miles travelled to meet state targets by planning for the coordination of land use and transportation, such as policies that locate housing near jobs and transit.</u></p> <p><u>Achieve these goals by passing HB 1099.</u></p>

Exhibit C: Crosswalk of Affordable Housing Committee State Legislative Priorities

AHC State Legislative Priorities, draft	Joint Recommendations Committee, draft	Habitat for Humanity Seattle-King & Kittitas Counties	Housing Development Consortium	South King Housing and Homelessness Partners, draft
1a. Increase existing funding sources like the Housing Trust Fund and authorize new, progressive sources that do not disproportionately burden low-income households, to the greatest extent possible.	✓ Specifies \$400M increase	✓ Also requests a statutory floor for HTF homeownership funding and equalizing limits for construction type awards	✓	✓
1b. Ensure new housing revenue tools retain local flexibility to support uses including:				
i. Capital investments and ongoing operating and services support for new and existing projects serving 0%-30% AMI households. This includes support for permanent supportive housing and workforce 0-30% AMI housing.				
ii. Projects that promote access to opportunity, anti-displacement, and wealth building opportunities for Black, Indigenous, and People of Color communities.	✓	✓ Similar priority for creating new avenues of support for permanently affordable homeownership without BIPOC focus	✓	✓
2a. Provide funding for jurisdictions to update their comprehensive plans to increase opportunities for affordable housing and counter displacement. This funding would support implementation of 2021's E2SHB 1220.	✓		✓	✓
3a. Support housing stability as part of COVID-19 recovery by maintaining and strengthening current pandemic-related renter protections.	✓ Also specifies protections against discriminatory evictions and maintaining rental assistance and eviction prevention effectiveness		✓ Only specifies support for increased rental assistance funding	✓ Also specifies support for funding strategies
3b. Pass the Housing Justice Act to ban discrimination against renters based on a prior criminal record (SB 6490 /HB 2878 from 2020).	✓		✓	✓

Exhibit D: California Bills with Local Momentum

California's Housing Bills Summary

On September 16th, 2021, California's Governor Gavin Newsom signed into law legislation aimed at addressing the statewide housing crisis. The suite of bills, Senate Bills (SB) 8, 9, and 10 and Assembly Bill (AB) 1174, coupled with a previously announced California Comeback Plan, carry the potential to expand housing production, streamline permitting and promote density closer to major employment hubs.

Below is a summary of the legislation passed to fight California's ongoing housing crisis

[Senate Bill 9](#), the California Housing Opportunity and More Efficiency (HOME) Act. The bill authorizes a property owner to split a single-family lot into two homes or a duplex, and in some cases, split their lot and build two additional homes, starting on Jan. 1. The total number of units on a single lot is limited to four. SB 9 also requires cities and counties across California to approve development proposals that meet specified size and design standards.

SB 9 is extensive, but the key takeaways are identified below.

- Access to affordable housing is a matter of statewide concern and not a municipal affair; therefore SB 9 applies to all counties and cities, including charter cities.
- SB 9 mandates governmental approval of an application for a housing development, including a parcel map, that splits a parcel into 2 separate parcels (urban lot-split) and contains no more than 2 residential units on each lot without a hearing if the following requirements are met:
 - The parcel is within a single-family residential zone.
 - If the housing development is located within a city, at least some portion of the boundaries of the parcel must be in **an urbanized area or urban cluster**. Or, if the development is in an unincorporated part of a county, the parcel must be wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.
 - The criteria for eligible homes notably excludes those in environmentally sensitive areas and in historic districts, as well as those that are subject to deed restrictions or rent control, or that have been occupied by a tenant in the last three years.
 - To split a lot, neither of the parcels can be smaller than 1,200 square feet, and the homeowner must sign an affidavit they will remain in the house for the subsequent three years — designed as a guardrail against potential speculation.
 - Any unit created as a result will not be used for short-term rentals and must be rented for a term longer than 30 days.
 - The project adheres to the objective zoning and design review standards established by the local government.

- **Under SB 9, local governments and officials are prohibited from doing the following:**
 - Imposing objective zoning standards, objective subdivision standards, and objective design standards that would have the effect of physically precluding the construction of up to 2 units at least 800 square feet in floor area.
 - Denying a development application unless a finding can be made that the proposed project would have a “specific, adverse impact” on “public health and safety or the physical environment” and there are no feasible and satisfactory mitigation options.
 - Imposing additional owner-occupancy standards, other than provided for in this subdivision, on an urban lot split.

- **A local government may require any of the following conditions when considering an application for an urban lot split:**
 - Easements required for the provision of public services and facilities;
 - Provision of access for each lot to the public right-of-way; and
 - Off-street parking of up to 1 space per unit, except in specified instances;
 - Limitations on use to residential only.

[Senate Bill 8](#) extends through 2030 an existing law that accelerates the approval process for housing projects and limits fee increases on housing applications at the local level. This more technical bill might have the biggest impact by making building housing more predictable

[Senate Bill 10](#) allows a city to bypass environmental review to build as many as 10 units on a single-family parcel near a transit hub or urban infill developments. The legislation simplifies the California Environmental Quality Act (similar to WA’s SEPA) requirements for up zoning, giving local governments another tool to voluntarily increase density and provide affordable rental opportunities to more of California.

[Assembly Bill 1174](#) is an urgency measure that amends the existing streamlined, administrative approval process for housing development in **jurisdictions that have not yet made enough progress towards their allocation of their regional housing needs.**

[California Housing Accelerator](#)-In conjunction with the suite of enacted housing bills, California announced the California Housing Accelerator – **a \$1.75 billion component of the California Comeback Plan.** The California Housing Accelerator fund is intended to expedite construction of affordable multifamily units in projects **stalled due to constraints on the supply of tax-exempt bonds and low-income housing tax credits.** The fund is expected to back 90 shovel-ready projects by the end of the year.

Governor Newsom also later signed [27 affordable housing bills](#) focused on cutting red tape and holding cities accountable for providing their fair share of housing

Exhibit E: State Legislative Agendas of Other Housing Policy-Interested Organizations or Coalitions

DRAFT Joint Recommendations Committee 2022 State Legislative Priorities

1. EXPAND FLEXIBLE FUNDING FOR HOUSING CAPITAL, OPERATIONS, AND RELATED USES

- Increase the Housing Trust Fund by \$400M. The HTF is the state's primary source of financial equity for developing affordable housing across Washington State. It is a critical source of leverage for housing programs in King County. When the HTF is increased, the region gains additional permanent supportive homeless housing and other affordable homes.
- Invest in equitable community development to address displacement of BIPOC communities.

2. PROVIDE FUNDING FOR JURISDICTIONS TO IMPLEMENT COMPREHENSIVE PLANS UNDER E2SHB 1220

- Last session the legislature passed E2SHB 1220 which requires jurisdictions to update their comprehensive plans to increase opportunities for affordable housing and counter displacement. Funding is needed for local governments to meaningfully implement this important requirement.

3. INCREASE FUNDING FOR ABD TO MATCH SOCIAL SECURITY BENEFITS – MAINTAIN FUNDING FOR HEN

- The Aged, Blind and Disabled program (ABD) is a bridge for people who have applied to receive federal Social Security assistance but does not come close to the \$295 weekly minimum SS benefit. In fact, the ABD grant has been set at \$197 per month since the program's creation in November 2011.
- The Housing & Essential Needs (HEN) program helps provide housing stability for people with disabilities and those experiencing homelessness. Washington State must maintain this critical support at current levels.

4. CONTINUE TO STRENGTHEN TENANT PROTECTIONS

Pass statewide protections against discriminatory evictions, maintain effectiveness of rental assistance and eviction prevention, and support housing stability in response to the COVID economic recession.

- Ban discrimination against renters based on a prior criminal record.

5. CONTINUE FOUNDATIONAL COMMUNITY SUPPORTS (FCS) UNDER THE MEDICAID TRANSFORMATION PROJECT (MTP) FOR UP TO FIVE YEARS

FCS is a vital source of leverage to help pay services costs for residents of Permanent Supportive Housing in King County. FCS uses federal funds to provide supportive housing under an agreement with the Center for Medicaid Services (CMS) which expires in 2022. Legislative approval is needed to extend the agreement for another five years.



2022 LEGISLATIVE POLICY AGENDA

Now more than ever,
affordable housing
is crucially important.

Habitat for Humanity Seattle-King & Kittitas Counties proudly advocates on behalf of deserving families through its Cost of Home campaign — supporting more affordable housing across the state.

We build strength, stability, self-reliance *and* shelter.

Home is more than just a place to rest your head. A home is a sense of stability. A sense of safety. A sense of accomplishment. It's a place where people connect with family, friends, and their community. Now more than ever, a home is crucially important.

We are about building a world where everyone has a place to call their home.

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End Exclusionary Zoning

Washington State has a long and sordid history with exclusionary zoning. From the use of racial covenants and redlining maps to keep Black, Indigenous, and people of color out of neighborhoods that were predominantly White to the use of modern-day exclusionary zoning methods, keeping high-value homes and neighborhoods unreachable through so-called single-family zoning and not allowing any tools that could bring housing affordability to these desirable neighborhoods. **Habitat for Humanity Seattle-King & Kittitas Counties calls on the legislature to look to the examples of Oregon and Walla Walla and end the practice of exclusionary zoning in Washington State.**

Invest in the Housing Trust Fund

The lack of affordable housing and affordable homeownership opportunities continues to be one of the biggest challenges facing Washington today. While we have continued to invest in housing through the Washington State Housing Trust Fund, much more needs to be done. **Habitat for Humanity Seattle-King & Kittitas Counties urges the state legislature to significantly increase the allocation for the Housing Trust Fund, to set a statutory floor for homeownership funding in the HTF, and to equalize the award limits between construction types.**

Support Permanently Affordable Homeownership

While we drastically need more investment in affordable housing across the board, we also need to make deliberate investments in permanently affordable homeownership here in Washington State. The reality is the disparity between Washington State's support for rental, shelter, and supportive services housing and Washington's support for homeownership is roughly 20 to 1 in favor of rentals, shelter, and supportive services. That is a massive racial and economic equity issue, because it ensures developers build only rentals in communities of color, denying families opportunities to build equity. **We at Habitat for Humanity Seattle-King & Kittitas Counties strongly support the creation of new avenues of support for permanently affordable homeownership, because we need long term solutions to address this crisis.**



Project Name	Units	Buildings	Sq. Ft.	Land Cost	Construction Budget	Completion Date
1 South Park S. Donovan St, Seattle ^{††}	13	13	12,600	\$500,000	\$3,375,000	10/2021
2 Loyal Heights 28 th Ave NW, Seattle ^{††}	7	4	7,840	N/A	\$2,028,400	1/2022
3 La Fortuna 127 th Ave SE, Renton ^{††}	12	3	13,800	\$1,300,000	\$3,125,000	4/2022
4 Lake City 35 th Ave NE, Seattle ^{††}	16	4	14,706	\$800,000	\$5,421,944	6/2022
5 Trenton SW Trenton St, Seattle [†]	4	4	4,690	\$290,000	\$1,197,138	7/2022
6 Capitol Hill I 11 St E, Seattle ^{††}	13	1	6,000	\$525,000	\$2,813,711	10/2022
7 North Bend E 2 nd St, North Bend ^{††}	7	2	9,000	N/A	\$2,517,427	1/2023
8 Capitol Hill II 1627 14 th Ave. Seattle ^{††}	17	1	9,000	\$1,421,000	\$3,568,740	9/2023
9 Ellensburg N Water St/W Bender Rd, Ellensburg [†]	18	18	20,700	N/A	\$4,782,057	10/2023
10 Burien S 136 th St, Burien ^{†††}	40	10	50,400	\$2,000,000	\$10,759,861	6/2024
11 Highland Park 9021 & 9025 15 th Ave. SW, Seattle [†]	12	12	11,200	\$830,000	\$2,375,000	9/2024
12 Fort Lawton Magnolia Bluff, Seattle ^{††}	52	52	65,000	N/A	\$14,655,500	TBD
	211	124	224,936	\$7,666,000	\$56,619,778	

PROJECT TYPE: ^{††} Multi-Family Residential [†] Single Family Residential

The Housing Development Consortium of Seattle-King County (HDC) is the nonprofit membership association of 190+ private businesses, nonprofit organizations, and public partners dedicated to the vision that all people live with dignity in safe, healthy, affordable homes in communities of opportunity. HDC invites you to join us as we advocate for the following policies in 2022.

FUND AFFORDABLE HOMES

Despite significant progress on funding at the state and local levels in recent years, great and unaddressed needs remain. Affordable housing and homelessness service providers are successfully creating pathways into stability – but for every person they serve, there’s another to take their place. COVID-19 has exacerbated the existing housing and homelessness crisis and yet, we have been woefully behind in adequately investing in housing for our community, and the combined crises of COVID-19, housing unaffordability, and homelessness are threatening to set us back even further. Not only has it significantly increased housing insecurity overall, but it also disproportionately impacts Black, Indigenous and People of Color communities.

The King County Affordable Housing Committee found the region needs an estimated \$18 billion in public capital investments to produce 44,000 additional income-restricted units at or below 50% AMI by 2024. Existing public capital resources for income-restricted affordable housing creation in King County are projected to total roughly \$2.7 billion between 2019 and 2024, enough for 7,000 affordable units. This means that the region needs \$15.3 billion in additional public revenue for capital funding and \$2 billion for operating funding by 2024 to meet the Regional Affordable Housing Task Force’s short-term goal of building or preserving 44,000 affordable homes.

Addressing the affordable housing crisis will take a comprehensive and holistic approach and cannot be solved without vastly increasing the funding for affordable housing. Because our need for housing is tremendous, we need funding at every level: local, state, and federal to collaborate and think creatively about leveraging resources. In times of uneven economic growth, this robust public funding is critical. In 2022, HDC will work to:

- **Build a local coalition and campaign to support state-level work on a Local Option Real Estate Excise Tax (REET) for affordable housing in preparation for a successful 2023 state bill**
- **Develop a framework for coalition building and leading the advocacy work to renew and expand the Seattle Housing Levy in 2023**
- **Lead the work in advancing a Housing Levy campaign for true regional investment in affordable housing and run ballot initiatives in 2022**
- **Increase funding for the East King County Housing Trust Fund**

- Significantly increase capital and operating dollars to support the production of permanent housing options affordable to lower-income households in the City of Seattle

BUILD & MAINTAIN INCLUSIVE COMMUNITIES

To promote equitable growth and prosperity for all, King County and our cities should implement best practices and policies that ensure low-income residents can live or remain in communities of opportunity near jobs, services, and access to transit. This must be accompanied by recognizing that housing segregation achieved by the government policies, such as redlining and other discriminatory practices, resulted in long-lasting racial inequities in housing. In 2022, HDC will:

- Lead legislators' education efforts on the Residential Prevailing Wage rates impact and work towards a new methodology that supports the affordable housing need
- Support advocacy efforts to secure local funding for HB1220, a landmark bill that will update the Growth Management Act housing element to help address the housing crisis in our state and work to end housing policies that perpetuate housing inequities that disadvantage lower-income households and BIPOC communities.
- Advocate for giving authority to counties and cities to establish a housing benefit district (HBD) for affordable low- and middle-income housing projects (HB1128)
- Advocate for effective mandatory inclusionary zoning that leverages Bellevue's commercial and residential development growth
- Advocate for regulatory reform that reduces the costs to build housing by increasing densities, reducing minimum sizes, efficient permitting and design review, and reducing/eliminating parking requirements to make it less costly per unit to build homes
- Lead efforts to address the direct, deep impact of historic, structural, and systemic racism namely single-family zoning reform through the Seattle Major Comprehensive Plan update process with bold coalition partnership
- Partner in leading and continuing support for the BIPOC Homeownership Initiative policy and regulatory reform recommendations
- Support and advocate for the implementation of the Health through Housing Initiative in King County through advocacy and mobilization
- Advocate for siting of permanent supportive housing as the proven solution for homelessness throughout King County

- **Where needed, advocate for a fee-in-lieu program with a meaningful exchange rate that ensures the inclusion of support for affordable housing in some of Bellevue’s commercial development growth**

IMPROVE HEALTH, STABILITY & SUSTAINABILITY OF HOUSING

King County is experiencing explosive growth and unprecedented inequity in access to housing. We face an affordable housing shortfall of 156,000 homes today and a projected deficit of 244,000 homes by 2040. Capital dollars currently available to King County’s affordable housing developers are nowhere near what is needed.

Far too many low-income King County households – disproportionately people of color – are now perpetually housing insecure or pushed into homelessness. Enveloping everything is the climate crisis. In recognition of the issue’s urgency and the effects of the built environment, HDC looks at housing unaffordability, the inequity that leads to housing insecurity, and climate change as fundamentally interdependent and not as issues in isolation of each other. Affordable, safe, quality housing is a social determinant of health and a key element in creating an overall healthy community. This calls for a proactive approach to ensure housing stability for renters and low-income homeowners, and a sustainable built environment for healthier and livable places. In 2022, HDC will:

- **Advocate for increased funding for rental assistance**
- **Implement local Rental Registration and Inspection programs, and support other local policies that promote healthy homes**
- **Support foreclosure prevention by advocating for funding for foreclosure counselors**

2022 Support Advocacy Agenda

The Housing Development Consortium of Seattle-King County (HDC) is the nonprofit membership association of 190+ private businesses, nonprofit organizations, and public partners dedicated to the vision that all people live with dignity in safe, healthy, affordable homes in communities of opportunity. HDC invites you to join us as we advocate for the following policies in 2022.

FUND AFFORDABLE HOMES

- **Support federal funding advocacy including for LIHTC provisions in the Affordable Housing Credit Improvement Act**
 - **Fund the State Housing Trust Fund at a historically high level in the biennial Capital Budget and establish a permanent funding source for the HTF**
 - **Advocate for progressive revenue that will ease the burden on low-income and working households, adequately fund affordable housing and homelessness programs, and make our economy more resilient in the long-term**
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BUILD & MAINTAIN INCLUSIVE COMMUNITIES

To promote equitable growth and prosperity for all, King County and our cities should implement best practices and policies that ensure low-income residents can live or remain in communities of opportunity near jobs, services, and access to transit. This must be accompanied by recognizing that housing segregation achieved by the government policies, such as redlining and other discriminatory practices, resulted in long-lasting racial inequities in housing. In 2022, HDC will:

- **Support the creation of a countywide Equitable Development Initiative fund to prevent and mitigate displacement within areas most at risk of experiencing physical, cultural, and economic displacement**
- **Advance funding and policy solutions that reflect the role of affordable homeownership in ensuring wealth building for individuals and families affected by racial and ethnic segregation, marginalization, and discrimination**

- **Support local tools and policies that seek to reverse historic and current patterns of racial and ethnic segregation, and prevent displacement particularly within areas most at risk of experiencing physical, cultural, and economic displacement through effective use of HDC's recommended Anti-Displacement Strategies like community ownership or preference, Just Cause Eviction, right of first refusal, etc.**
- **Advocate for King County to proactively utilize new tools and expanded authority to dispose of County-owned surplus or underutilized property at reduced or no cost when used for affordable housing**

IMPROVE HEALTH, STABILITY & SUSTAINABILITY OF HOUSING

Households faced with high-cost burdens, housing instability, and homelessness may see the impacts of those experiences on both their physical and mental health. In addition, housing quality can have significant impacts on health.

Too many homeowners and renters are currently living in unhealthy or substandard homes, particularly in areas of South King County. Renters in these homes may be unable or afraid to report their inadequate housing conditions. Affordable, safe, quality housing is a social determinant of health and a key element in creating an overall healthy community. In addition, the climate crisis' intersection with housing calls for a proactive approach to ensure a sustainable built environment for healthier and livable places. In 2022, HDC will:

- **In coalition with climate, health, and labor advocates, promote policies, practices, funding, and incentives that accelerate the widespread development of Affordable Housing that aligns with state, county, and local climate strategies by reducing energy and water use, utilizing renewable energy, minimizing greenhouse gas emissions, and optimizing the health and safety of residents**
- **Support state policies that address the arbitrary barriers that people exiting the criminal justice system face in acquiring rental housing**
- **Support the Just Cause Eviction fix bill to address the lease term loophole**

South King Housing and Homelessness Partners (SKHHP) is a coalition of 10 jurisdictions working together and sharing resources in order to increase the available options for South King County residents to access affordable housing and to preserve the existing affordable housing stock.

SKHHP supports the following state legislative priorities for 2022:

INCREASE HOUSING STABILITY

Support amendments to the statewide just cause eviction legislation that improve housing stability.

Support state policies that **address discrimination against renters based on prior criminal record.**

Promote housing stability as part of COVID-19 recovery by supporting efforts to implement tenant protections and housing stability policies and funding strategies.

SUPPORT LOCAL PLANNING

Support efforts to secure local funding for comprehensive plan updates that increase opportunities for affordable housing and counter displacement.

FUND AFFORDABLE HOUSING

Increase existing funding sources like the State Housing Trust Fund and authorize new, progressive sources that do not disproportionately burden low-income households.

Support funding and policy decisions that reflect the role of affordable homeownership in ensuring wealth building for individuals and families affected by racial and ethnic segregation, marginalization, and discrimination.

Provide direct funding to the South King Housing and Homelessness Partners (SKHHP) Housing Capital Fund. SKHHP partner cities established a mechanism to pool sales tax credit revenues authorized by SHB 1406. State matching funds will provide much needed investment in affordable housing in South King County.

Contact:

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