

Memo

To: King County Affordable Housing Committee Members
From: McCaela Daffern, Regional Affordable Housing Implementation Manager
cc: Housing Interjurisdictional Team
Date: September 15, 2023
Re: Draft AHC Federal and 2024 State Legislative Priorities

Summary

At the September 21 Affordable Housing Committee (AHC or Committee) meeting, AHC staff will brief Committee members on the draft AHC federal and 2024 state legislative priorities and timeline for adoption. Committee members will have 15 minutes to ask questions or provide feedback on the proposed state legislative priorities. This report summarizes the approach for developing the draft priorities and a timeline for adoption. See Exhibit 1 for the draft 2024 AHC state legislative priorities and Exhibit 2 for the draft AHC federal legislative priorities.

Process to Date

The AHC's 2023 work plan states that the AHC will potentially adopt state or federal legislative priorities. In consultation with the Housing Interjurisdictional Team and consistent with potential King County priorities, staff developed draft priorities that:

1. align with the AHC's Shared Revenue Principles;¹
2. support implementation of 2023 AHC State Legislative Priorities;²
3. resurface 2023 AHC State and 2021 Federal Legislative Priorities³ that did not pass;
4. adjust priorities that reference bills that passed last state legislative session; and
5. include more detail about federal fund sources in King County.

Next Steps and Timeline

Committee members can submit proposed amendments and/or other housing-related legislative agendas they would like shared with the Committee for awareness and possible alignment to AHC lead staff, McCaela Daffern (mdaffern@kingcounty.gov), by November 2 for consideration at the November 16 AHC meeting.

Date	Activity
9/21	AHC provides input on draft priorities
9/22-11/2	AHC members propose amendments and share other priorities (email McCaela proposed amendments and/or relevant state legislative priorities)
11/10	AHC members receive compiled amendments and priorities
11/16	AHC considers and possibly adopts priorities

¹ Affordable Housing Committee, Shared Principles to Guide Future Affordable Housing Revenue Decisions in King County [\[link\]](#)

² Affordable Housing Committee, 2023 State Legislative Priorities [\[link\]](#)

³ Affordable Housing Committee, 2021 Federal Legislative Priorities [\[link\]](#)

Exhibit 1: Draft 2024 Affordable Housing Committee State Legislative Priorities

DRAFT King County Affordable Housing Committee's

2024 State Legislative Priorities

The King County [Affordable Housing Committee](#) of the Growth Management Planning Council recommends actions and assesses regional progress towards advancing affordable housing solutions. The King County Countywide Planning Policies recently established that the county needs to add approximately **195,000 net new affordable units** by 2044 to ensure that no low-income household pays more than 30 percent of its income on housing. That means countywide, the region must build or preserve an average of 9,750 affordable units every year for the next 20 years to meet the need. With current resources, about 3,700 affordable homes are built or preserved each year, leaving **an annual remaining gap of 6,050 units**.

In light of this, the committee of 17 elected, nonprofit, and business leaders adopted these state legislative priorities, which call on the state government to:

- increase funding to preserve, operate, and increase the supply of affordable housing;
- support equitable housing planning, monitoring, and community engagement; and
- help people remain stably housed.

Affordable Housing Committee's 2024 State Legislative Priorities

1. Preserve and increase the supply of affordable housing

- a. Increase and find a dedicated source of funding for the Housing Trust Fund, the state's primary source of financial equity for developing and preserving affordable housing across Washington State. This is a critical source of leverage for housing projects in King County.
- b. Create or authorize a new permanent funding source for affordable housing that minimizes disproportionate burden on low-income households to the greatest extent possible, keeps pace with rising capital and operating costs, and retains local flexibility to support uses including:
 - i. Capital investments and ongoing operating and services support for new and existing projects serving households below 50 percent area median income. This includes support for permanent supportive housing and workforce housing serving households below 30 percent area median income.
 - ii. Projects that promote access to opportunity, prevent and mitigate displacement, and create wealth building opportunities for Black, Indigenous, and People of Color communities most disproportionately impacted by housing cost burden. This should include funding for capacity building for community organizations to develop community-driven projects, land acquisition, affordable homeownership, and the non-housing project components that meet the needs identified by communities most disproportionately impacted by housing cost burden.
- c. Exempt affordable housing construction and rehabilitation costs from sales tax.

2. Support local jurisdictions in planning for and accommodating housing affordable to households at or below 80 percent area median income

- a. Provide technical assistance to jurisdictions in complying with requirements set forth in 2021 House Bill 1220.
- b. Evaluate the effectiveness of 2021 House Bill 1220 in meeting its stated goals in the Puget Sound region and prepare recommendations based on findings.
- c. Identify and share best practices, model legislation, and other tools to support effective and equitable jurisdictional implementation of comprehensive plan housing policies.
- d. Increase housing affordability near planned and existing high capacity and frequent transit.
- e. Replace the arbitrary one percent property tax cap and provide flexibility for local governments to implement a more progressive tax system.

3. Increase housing stability for low-income households

- a. Maintain or expand the Housing and Essential Needs program to keep up with rising rents for the lowest income community members.
- b. Increase equitable opportunities for tenants to learn about and enforce their rights.
- c. Increase funding for legal assistance to help keep tenants housed.
- d. Ban discrimination against renters based on a prior criminal record
- e. Protect tenants from excessive rent increases and related fees by strengthening statewide requirements for notice of residential rent increases.

Exhibit 2: Draft Affordable Housing Committee Federal Legislative Priorities

DRAFT King County Affordable Housing Committee's

Federal Legislative Priorities

The King County Affordable Housing Committee of the Growth Management Planning Council recommends actions and assesses regional progress towards advancing affordable housing solutions. The King County Countywide Planning Policies recently established that the county needs to add approximately **195,000 net new affordable units** by 2044 to ensure that no low-income household pays more than 30 percent of its income on housing. That means countywide, the region must build or preserve an average of 9,750 affordable units every year for the next 20 years to meet the need. With current resources, about 3,700 affordable homes are built or preserved each year in King County, leaving **an annual remaining gap of 6,050 units**.

In light of this, the committee of 17 elected, nonprofit, and business leaders adopted these federal legislative priorities, which call for significantly increased federal investments in affordable housing to address the critical need for more affordable homes in King County.

Affordable Housing Committee's Federal Legislative Priorities

- 1. Strengthen and expand the Low-Income Housing Tax Credit (LIHTC) Program:** LIHTC is the single largest driver of affordable housing production and preservation in the nation. The bipartisan "Affordable Housing Credit Improvement Act" (S.1557/H.R.3238 of 2021), sponsored by Sen. Maria Cantwell and Rep. Suzan DelBene, among others, would expand production and help preserve affordable housing—producing an additional two million more rental homes nationwide than would otherwise be possible over the next decade. It would also provide state Housing Credit allocating agencies new tools to strengthen program administration, including rule changes to improve access for veterans, students, and victims of domestic violence and human trafficking.
- 2. Expand affordable housing resources in the federal budget:** The federal government is a critical partner for addressing the housing crisis in King County. King County and its Consortium receive important grant funding from the federal government through the Community Development Block Grant, HOME Investment Partnership, and Emergency Solutions Grant. However, the grant amounts have not kept pace with the increasing need for affordable housing and are an increasingly small component of the affordable housing response in King County.
 - The King County, Seattle, and Renton Housing Authorities provide significant resources for affordable housing in our region. However, the King County Housing Authority's waitlist for Housing Choice Vouchers has been closed since March 2020 due to inadequate resources.
 - The Department of Housing and Urban Development's Section 4 Capacity Building for Community Development and Affordable Housing Program enhances the ability for nonprofits to navigate the complex process of affordable housing development. Increasing Section 4 funding could support equitable development efforts in King County that seek to increase control and ownership of affordable housing within Black, Indigenous, and People of Color communities.

- Enacting a full-year spending bill with the highest funding possible for housing and community development programs would have a meaningful impact towards meeting King County's housing needs.