2024 State Legislative Update

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SKHHP Executive Board



SKHHP 2024 Legislative Priority

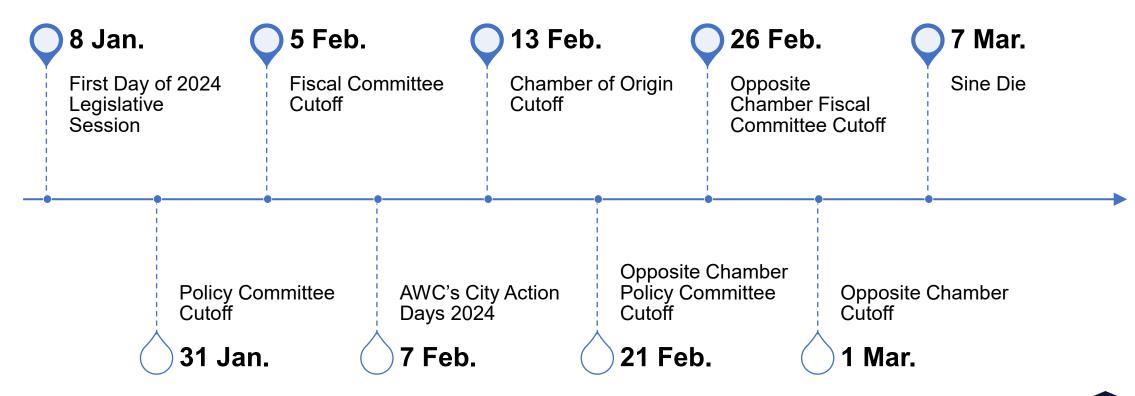
South King County is facing a growing affordable housing crisis. In order to address this crisis, we need to fund all aspects of affordable housing, including:

- Homeownership for moderate income households and below
- Preservation of naturally occurring affordable housing (NOAH)
- Land acquisition to secure permanent affordability
- Permanent supportive housing (PSH)
- Infrastructure around affordable housing developments
- Workforce housing





2024 Legislative Session Timeline





HB 2354: Creating an option for impacted taxing districts to provide a portion of their new revenue to support any tax increment area proposed within their jurisdiction and clarifying that a tax increment area must be dissolved when all bond obligations are paid.



- Requires the project analysis conducted by a local government prior to establishing a tax increment area to assess impacts on local emergency medical services and public hospital services.
- Provides that a tax increment area expires prior to the sunset date if tax allocations are no longer necessary or obligated to pay any bonded indebtedness to fund public improvement costs.
- Requires mitigation agreements between local governments and affected public hospital districts.
- Requires arbitration if mitigation agreements cannot be agreed upon.
- Requires the Office of the State Treasurer to conduct a study and report to the Legislature on various metrics related to tax increment areas.



SB 6173: Encouraging investments in affordable homeownership unit development

"...or at or below 80 percent of the median income of the county or city imposing the tax if it is supporting the development of affordable housing intended for owner occupancy, as defined in RCW 84.14.010."





HB 1892: Concerning the workforce housing accelerator program



Creates the Workforce Housing Accelerator Revolving Loan Fund Program (HALP) within Department of Commerce, but administered by the WA State Finance Commission, to issue loans for the development of housing for households earning 50 - 80% AMI.

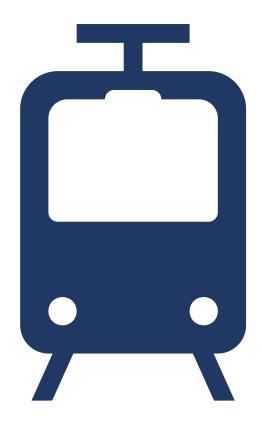
The loan recipient must...

- Begin construction within 180 days of award
- Adhere to the Evergreen Sustainable Development Standard adopted by the Department of Commerce
- File an annual compliance report
- Restrict use of awarded loan funding to eligible costs of housing as defined under RCW 43.180.020



HB 2160/SB 6024: Transit Oriented Development

- Prohibits cities planning under the Growth Management Act (GMA) from enacting or enforcing any development regulation within a station area that prohibits the siting of multifamily residential housing where any other residential use is permissible, with some exceptions.
- Prohibits cities planning under the GMA from enacting or enforcing any new development regulation within a station area that imposes a maximum floor area ratio of less than the transit-oriented density for any new residential or mixed-use development or imposes a maximum residential density.
- Limits the ability of cities planning under the GMA from requiring off-street parking as a condition of permitting residential or mixed-use development within a station area.
- Creates a categorical exemption from the State Environmental Policy Act for residential or mixed-use development within a station area.

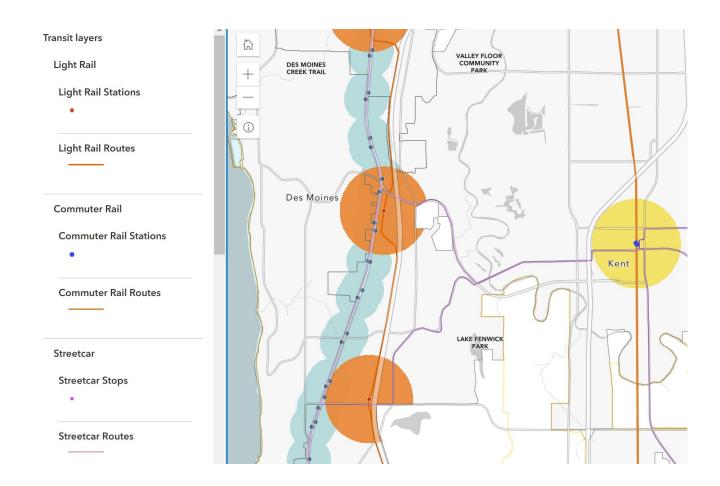




HB 2160: <u>Interactive</u> Map

Puget Sound Regional Council (PSRC) has created an interactive map showing development areas adjacent to transit that would be created by HB 2160 and SB 5961.

The current map reflects Second Substitute House Bill 2160 as passed out of the House Capital Budget Committee.





SB 5961/HB 2114: Rent Stabilization



- Prohibits a landlord under the Residential Landlord-Tenant Act or the Manufactured/Mobile Home Landlord-Tenant Act from increasing a tenant's rent during the first 12 months after the tenancy begins and limits the amount by which a landlord may increase a tenant's rent during any 12-month period to 5 percent, with certain exemptions.
- Provides certain other protections for tenants, such as rent and fee increase notice requirements, tenant lease termination provisions, limits on movein fees, security deposits, and late fees, and requirements for parity between month-to-month and longer-term rental agreements.
- Requires the Department of Commerce to create an online landlord resource center and requires the Attorney General's Office to publish model lease provisions regarding rent and rent increases.



Funding Affordable Housing

| Bill Number | Description | Status |
|-------------|---|---|
| SB 6173 | Encouraging investments in affordable homeownership unit development. | 2/6 Second reading by Rules Committee |
| SB 5949 | Concerning the capital budget. | 2/15 Public hearing in the Senate Committee on Ways & Means |
| HB 2089 | Concerning the capital budget. | 1/11 Public hearing in the House Committee on Capital Budget |
| HB 1628 | Increasing the supply of affordable housing by modifying the state and local real estate excise tax. | 1/8 By resolution, reintroduced and retained in present status. House Rules "X" file |
| SB 6065 | Concerning the property tax exemption for cities or counties providing affordable housing to qualifying households. | 1/9 First reading, referred to Housing |
| SB 5118 | Concerning modifying the multifamily property tax exemption to promote development of long-term affordable housing. | 2/5 Executive session scheduled, but no action was taken in the Senate Committee on Ways & Means |

Funding Affordable Housing Continued

| Bill Number | Description | Status |
|----------------|---|---|
| HB 1892 | Concerning the workforce housing accelerator program. | 2/8 Third reading, passed; yeas, 97; nays, 0; absent, 0; excused, 1 |
| <u>SB 6136</u> | Reestablishing a business and occupation tax on the privilege of providing property for rent and supporting access to affordable rental property by exempting from tax landlords participating in a rent stabilization program. | 1/25 Referred to Ways & Means |
| HB 1343 | Providing local governments with options to grant rent relief and preserve affordable housing in their communities. | 1/8 By resolution, reintroduced and retained in present status |
| SB 5493 | Limiting a business and occupation tax deduction for financial institutions to fund affordable housing | 1/8 By resolution, reintroduced and retained in present status |
| HB 2219 | Providing tax relief for nonprofit development of affordable housing. | 1/25 Public hearing in the House Committee on Finance |

Housing and Land Use

| Bill Number | Description | Status |
|-------------|---|--|
| SB 6024 | Promoting community and transit-oriented housing development. | 1/11 Public hearing in the Senate Committee on Local Government, Land Use & Tribal Affairs |
| HB 2160 | Promoting community and transit-oriented housing development. | 2/5 Referred to Rules 2 Review |
| SB 6015 | Concerning residential parking configurations. | 2/8 First reading, referred to Local Government |
| HB 2071 | Concerning residential housing regulations. | 2/5 Referred to Rules 2 Review |



Housing and Land Use Continued

| Bill Number | Description | Status |
|----------------|---|---|
| <u>HB 1998</u> | Concerning co-living housing. | 2/7 Third reading, passed; yeas, 96; nays, 0; absent, 0; excused, 2 |
| SB 5901 | Concerning co-living housing. | 1/26 Passed to Rules Committee for second reading |
| HB 2084 | Establishing an oversight committee to improve construction-related training and pathways to state registered apprenticeships in state correctional facilities. | 2/5 Referred to Rules 2 Review |
| HB 1944 | Establishing a running start for the trades grant program. | 1/8 First reading, referred to Education |
| HB 2123 | Establishing a running start for the trades grant program. | 1/8 First reading, referred to Education |



Housing and Land Use Continued

| Bill Number | Description | Status |
|----------------|--|--|
| HB 1507 | Concerning fair housing training for officers or board members in common interest communities. | 1/16 Rules Committee relieved of further consideration. Placed on third reading. |
| HB 2276 | Increasing the supply of affordable and workforce housing. | 1/18 Public hearing in the House Committee on Finance |
| SB 6191 | Increasing the supply of affordable and workforce housing. | 1/25 Public hearing in the Senate Committee on Ways & Means |
| <u>HB 2113</u> | Concerning compliance with the housing element requirements of the growth management act. | 2/5 Referred to Rules 2 Review |
| HB 1245 | Increasing housing options through lot splitting. | 1/10 First reading, referred to Local Government, Land Use & Tribal Affairs |



Housing and Land Use Continued

| Bill Number | Description | Status |
|----------------|---|--|
| <u>SB 5961</u> | Improving housing stability for tenants subject to the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act by limiting rent and fee increases, requiring notice of rent and fee increases, limiting fees and deposits, establishing a landlord resource center and associated services, authorizing tenant lease termination, creating parity between lease types, and providing for attorney general enforcement. | 1/26 Executive action taken in the Senate Committee on Housing |
| <u>HB 2114</u> | Improving housing stability for tenants subject to the residential landlord-tenant act and the manufactured/mobile home landlord-tenant act by limiting rent and fee increases, requiring notice of rent and fee increases, limiting fees and deposits, establishing a landlord resource center and associated services, authorizing tenant lease termination, creating parity between lease types, and providing for attorney general enforcement. | 2/7 Placed on second reading by Rules Committee |



Questions?



