Memo

То:	King County Affordable Housing Committee Members
From:	Sunaree Marshall, Housing Policy and Special Projects Manager
cc:	Housing Interjurisdictional Team
Date:	September 23, 2022
Re:	Draft 2023 AHC State Legislative Priorities

Summary

At the September 29 Affordable Housing Committee (AHC or Committee) meeting, Sunaree Marshall, Housing Policy and Special Projects Manager with King County, will review the draft 2023 AHC 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 priorities.

Process to Date

The AHC committed to develop and adopt 2023 state legislative priorities this year as part of its 2022 work plan. In consultation with the Housing Interjurisdictional Team, staff drafted priorities to guide the development of priorities that:

- 1. advance the AHC's Shared Revenue Principles¹;
- 2. support implementation of 2022 AHC State Legislative Priorities²;
- 3. resurface 2022 AHC priorities that did not pass last legislative session;
- 4. remove references to specific bills that didn't pass due to a new biennium; and
- 5. increase housing stability focus to address concerns about rising rents and other tenant issues.

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 (<u>mdaffern@kingcounty.gov</u>), by October 20 for consideration at the November 3 AHC meeting.

Date	Activity
9/29	AHC reviews and provides input on draft priorities
9/30-10/20	Members propose amendments and share other priorities (email McCaela
	proposed amendments and/or relevant state legislative priorities)
10/26	AHC receives compiled amendments and priorities
11/3	AHC considers and possibly adopts priorities

¹ Affordable Housing Committee, Shared Revenue Principles [link]

² Affordable Housing Committee, 2022 State Legislative Priorities [link]

Exhibit 1: Draft 2023 Affordable Housing Committee State Legislative Priorities

King County Affordable Housing Committee's 2023 State Legislative Priorities

The King County <u>Affordable Housing Committee</u> of the Growth Management Planning Council is charged with recommending actions and assessing regional progress to advance affordable housing solutions recommended by Regional Affordable Housing Task Force in December 2018. The Task Force estimated that by 2040 King County will need to add a total of 244,000 affordable units to ensure that no low-income household pays more than 30 percent of its income on housing. In 2019 and 2020, the region added X,XXX affordable units. That means King County needs to build or preserve, on average, XX,XXX affordable units every year for the remaining 20 years to meet the need. In light of this, the committee of 18 elected, nonprofit, and business leaders adopted these state legislative priorities, which call for additional resources and legislation to build and preserve affordable housing, support housing planning and community engagement, ensure that people remain stably housed, increase housing access, and support populations experiencing chronic homelessness.

Affordable Housing Committee's 2023 State Legislative Priorities

1. Increase capital and operating resources for affordable housing

- a. Increase existing funding sources like the Housing Trust Fund, including creating a permanent funding source and authorizing 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 0-50% area median income (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 most disproportionately impacted by housing cost burden.

2. Support local jurisdictions planning for increasing affordable housing

- a. Fund community-based organizations from impacted communities to engage in the comprehensive plan process and shape local strategies that prevent displacement and undo racially biased exclusionary policies. This funding would support implementation of Engrossed Second Substitute House Bill 1220 (2021).
- 3. Support housing stability through increased financial support to low-income households, tenant protections, and civil legal assistance
 - a. Maintain or expand the Housing and Essential Needs program to keep up with rising rents for the lowest income community members.
 - b. Support legislation that increases equitable opportunities for tenants to learn about and enforce their rights.
 - c. Increase legal assistance funding to fully implement Right to Counsel created by Senate Bill 5160 (2021).
 - d. Pass the Housing Justice Act to ban discrimination against renters based on a prior criminal record.

4. Preserve the supply of affordable housing

- a. Pass a Real Estate Excise Tax Exemption for affordable housing. Enacting this exemption would incentivize property sales to non-profit or public entities and lower the cost of property purchases.³
- b. Preserve manufactured housing communities through state policies that provide tenants and nonprofit organizations the opportunity to purchase manufactured housing communities and require longer notices for closures of manufactured housing communities. Over 8,600 households live in manufactured housing communities, a vital affordable housing resource for low-income people in King County, and many communities are at risk of closure, redevelopment, or substantial pad rent increases.

 $^{^3}$ The legislature passed House Bill 2634 in 2020, but it was vetoed due to pandemic-related budget concerns. This tax exemption was introduced again in 2022 but did not pass (Senate Bill 5642 / 3).