

# Memo

**To:** King County Affordable Housing Committee Members

**From:** McCaela Daffern, Regional Affordable Housing Implementation Manger

**cc:** Housing Interjurisdictional Team

**Date:** January 22, 2021

**Re:** Proposed 2021 State Legislative Agenda

---

## Background

At the November 13 Affordable Housing Committee (AHC or Committee) meeting, members considered a draft 2021 State Legislative Agenda. A revised agenda was circulated to Committee members in early December to allow time for members to consider the policies and seek feedback. Members submitted proposed amendments in mid-January, included as Exhibit 2. Exhibit 1 is the proposed legislative agenda circulated to the Committee in December, formatted as a recommendation statement. At the next AHC meeting, members will have 20 minutes to consider the proposed amendments and possible vote to adopt an agenda.

## Adoption Process

- *November:* At the November 13 AHC meeting, the Committee was briefed on the proposed legislative agenda. No vote was be taken. The Committee to directed staff to revise the draft to incorporate language about supporting efforts to preserve manufactured housing communities
- *December:* AHC members received [a revised agenda](#) in early December and were encouraged to consult with their stakeholders to explore where there is regional alignment with the priorities.
- *January:* AHC submitted proposed amendments in mid-January for inclusion in this memo (see Exhibit 2). At the January 29 AHC meeting, the Committee will vote to adopt a state legislative agenda, if consensus is reached on a set of priorities. Members may propose amendments at the meeting.
- *February:* Following adoption, the Chair and Vice Chair will share the adopted legislative priorities with state legislators. Members are encouraged to advocate for these priorities during the 2021 state legislative session.

## Considerations

The following suitability factors were considered by staff while developing the draft recommended legislative agenda:

- Timely: The policies advance or relate to topics discussed and supported by the Committee previously. The Committee was largely supportive of the need for additional revenue from the

state for affordable housing and COVID-related tenant protections in 2021.

- Alignment: The policies advance goals, strategies and actions recommended by the Regional Affordable Housing Task Force or the Affordable Housing Committee. Items 1, 3, and 4 support Goal 2 of the Task Force: “Increase construction and preservation of affordable homes for households earning less than 50% area median income.” Item 2 supports Goal 4 of the Task Force: “Preserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce risk of homelessness.”
- Cross-sector support: Each policy recommendation is supported by one more local jurisdictions or non-public entity in King County.

## Exhibits

Exhibit 1: Proposed 2021 State Legislative Agenda Statement

Exhibit 2: 2021 State Legislative Amendment Tracker

## Exhibit 1: Proposed 2021 State Legislative Agenda Statement

King County Affordable Housing Committee's

---

# 2021 State Legislative Priorities

The King County Affordable Housing Committee 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. That means King County needs, on average, 8,800 new and preserved affordable units every year for the next twenty years. The Affordable Housing Committee recognizes that this need has only increased—potentially astronomically—because of the COVID-19 induced housing instability. The committee of 19 elected, nonprofit, and business leaders adopted this state legislative agenda, which calls for more resources to meet the need, greater flexibility with current revenue sources, and new legislation to build more units of affordable housing and ensure that people remain stably housed.

## 2021 Legislative Priorities

### 1. INCREASE DOCUMENT RECORDING FEE TO MEET DEMAND

Increase the document recording fee in an amount necessary to address the unmet demand for Operating, Rental Assistance and Services funds for affordable housing and personal protective equipment (PPE) or retrofitting of congregate shelters to prevent COVID outbreaks.

Operating funding needs for over 3,000 current permanent supportive housing units in King County, supported primarily by document recording fee revenue, are expected to outpace revenue over the next five years. A document recording fee increase (or other dedicated revenue source), with an automatic increase for inflation, would address this imminent gap and preserve access to housing for individuals experiencing chronic homelessness.

### 2. INVEST \$250 MILLION IN THE HOUSING TRUST FUND (HTF)

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.

### 3. SUPPORT HOUSING STABILITY, THROUGH TENANT PROTECTIONS AND COVID-19 RECOVERY EFFORTS

Pass statewide protections against discriminatory and arbitrary evictions, increase resources for rental assistance and foreclosure prevention, and prevent evictions based on nonpayment of rents due to the COVID economic recession.

- Currently, only Seattle, Auburn, Burien, and Federal Way have just cause policies in place that prohibit landlords from evicting tenants for “no cause.” Landlords in the rest of Washington State can terminate a renter’s tenancy for “no cause” as long as they follow the terms of the lease and provide 20 days’ notice. This creates uncertainty for renters, who are at risk of homelessness when they are unable to find a suitable, affordable home they can afford within 20 days. **Just Cause eviction protections** would require that

landlords show cause (from an enumerated list) in order to terminate tenancy before the end of a lease.

- Respond to increased housing instability caused by the COVID-19 pandemic through resources for **rental assistance and foreclosure prevention**. Increase funding for foreclosure counselors and extend the Foreclosure Fairness Act to small landlords.
- Manufactured housing communities provide a unique type of affordable housing that is challenging to replace when lost. **Support efforts to preserve manufactured housing communities**. When preservation is not feasible, support manufactured homeowners and tenants through updated **manufactured home (mobile home) relocation reimbursements and notice requirements**. Make it easier for manufactured home park tenants to maintain housing stability by increasing both the amount of relocation assistance and tenant notice protections, particularly for park closures, to better reflect market realities.
- Pass the **Housing Justice Act** to ban discrimination against renters based on a prior criminal record (SB 6490/HB 2878 from 2020).

#### 4. MAKE EXISTING REVENUE SOURCES MORE RESPONSIVE TO LOCAL NEEDS

The King County Affordable Housing Committee estimates it will cost approximately \$20 billion to construct or preserve, operate, and service 44,000 homes affordable at 0-50% Area Median Income (AMI) between 2019 and 2024 in order to make significant progress toward the region's goal to ensure that no household pays more than 30% of its income on housing by 2044.

Greater flexibility is needed in two current revenue options to ensure the King County region has a diverse stock of affordable homes and serves people experiencing homelessness and at-risk of homelessness:

- Allow the councilmanic 0.1% sales tax option (RCW 82.14.530) to be used for property acquisition (not just construction) to support a speedy response to chronic homelessness and affordable housing needs.
- Update the allowable populations for lodging taxes and affordable housing/behavioral health sales taxes to more effectively meet local housing needs:
  - Remove the 30% AMI floor on housing related lodging tax revenue expenditures;
  - Permit lodging tax funds to support capital for youth service space;
  - Clarify that affordable housing sales tax funding can support housing for homeless single adults; and
  - Allow affordable housing sales tax funding to support existing units of affordable housing, not just new ones.

#### 5. MAINTAIN FUNDING FOR ABD/HEN PARTICIPANTS

The Housing & Essential Needs (HEN) and Aged, Blind, and Disabled (ABD) programs help provide housing stability for people with disabilities and those experiencing homelessness. A much-needed increase to HEN occurred in 2020. For 2021-22, the Commerce Department proposed cutting back HEN funding to 2017-19 levels. This proposal would reduce funding in King County by an estimated \$8 million and eliminate services for approximately 640 residents. Washington State must maintain these critical supports at 2020 levels.

## Exhibit 2: 2021 State Legislative Amendment Tracker

Amendment #	Sponsor	Change	Notes
1	King County Housing Authority	<p>Add the underlined text to the Housing Trust Fund priority:</p> <p><b>“INVEST \$250 MILLION IN THE HOUSING TRUST FUND (HTF)</b>            The HTF is the state’s primary source of financial equity for developing <u>and preserving</u> 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. <u>The \$250 million request includes \$10 million explicitly for preservation of existing affordable housing at risk of expiring and converting to market rate housing (such as USDA or Project-Based Rental Assistance-financed properties).</u>”</p>	To be consistent with the Washington Low Income Housing Alliance’s request.
2	King County Housing Authority	<p>Add the underlined text to the second bullet point under Support Housing Stability:</p> <p><b>“SUPPORT HOUSING STABILITY, THROUGH TENANT PROTECTIONS AND COVID-19 RECOVERY EFFORTS</b>            Pass statewide protections against discriminatory and arbitrary evictions, increase resources for rental assistance and foreclosure prevention, and prevent evictions based on nonpayment of rents due to the COVID economic recession.</p> <ul style="list-style-type: none"> <li>• Currently, only Seattle, Auburn, Burien, and Federal Way have just cause policies in place that prohibit landlords from evicting tenants for “no cause.” Landlords in the rest of Washington State can terminate a renter’s tenancy for “no cause” as long as they follow the terms of the lease and provide 20 days’ notice. This creates uncertainty for renters, who are at risk of homelessness when they are unable to find a suitable, affordable home they can afford within 20 days. <b>Just Cause eviction protections</b> would require that landlords show cause (from an enumerated list) in order to terminate tenancy before the end of a lease.</li> <li>• Respond to increased housing instability caused by the COVID-19 pandemic through resources for <b>rental assistance and foreclosure prevention</b> <u>and by enacting reasonable protections for tenants impacted by COVID-19 following the expiration of the eviction moratorium.</u></li> </ul>	Note the need for reasonable protections for tenants impacted by COVID-19.

Amendment #	Sponsor	Change	Notes
		<p>Increase funding for foreclosure counselors and extend the Foreclosure Fairness Act to small landlords.</p> <ul style="list-style-type: none"> <li>• Manufactured housing communities provide a unique type of affordable housing that is challenging to replace when lost. <b>Support efforts to preserve manufactured housing communities.</b> When preservation is not feasible, support manufactured homeowners and tenants through updated <b>manufactured home (mobile home) relocation reimbursements and notice requirements.</b> Make it easier for manufactured home park tenants to maintain housing stability by increasing both the amount of relocation assistance and tenant notice protections, particularly for park closures, to better reflect market realities.</li> <li>• Pass the <b>Housing Justice Act</b> to ban discrimination against renters based on a prior criminal record (SB 6490/HB 2878 from 2020).”</li> </ul>	
3	King County Housing Authority	<p>Add a new priority about housing benefit districts:</p> <p><b>“Establish authority to create housing benefit districts.</b> Provide authority to counties and cities to establish a housing benefit district and associated taxation authority for affordable low-income and middle-income housing projects near transit. This provides an opportunity for equitable station area planning, land acquisition for future development of affordable housing, and infrastructure development.”</p>	<p>Introduced as <a href="#">HB 1128</a>. Has relevancy for King County and the Greater Puget Sound region. The bill allows for counties and/or multiple cities to form benefit districts to raise funds for station area planning, land acquisition for future development of affordable housing, and infrastructure development. There is an explicit focus on equitable development of these station areas and minimizing displacement.</p>
4	Futurewise	<p>Add a new priority about supporting emergency shelters and housing through local planning and development regulations:</p> <p><b>“Update the Washington Growth Management Act to better meet housing need</b> Update the Washington Growth Management Act (GMA) to advance affordable housing solutions in jurisdictions throughout Washington State through the comprehensive planning process. Updates specifically related to affordable housing include changes that would require jurisdictions planning under the GMA to:</p>	<p>Introduced as <a href="#">HB 1220</a>. Relates to these AHC work plan items: increase housing choice and diversity, identify next steps to advance the AHC shared revenue principles; and center equity within the AHC’s work. Addresses displacement, an issue prioritized for action in the Regional Affordable Housing Task Force</p>

Amendment #	Sponsor	Change	Notes
		<ul style="list-style-type: none"> <li>• Update their comprehensive plan’s housing elements to plan for a diversity of housing types and income levels, including subsidized housing, supportive housing, moderate density housing, and transitional housing;</li> <li>• Identify the funding gap needed to address the housing need at 60% and below of area median income and potential opportunities to address that funding gap including state and federal funding;</li> <li>• Identify and address policies and regulations that have resulted in racial bias and exclusion in housing;</li> <li>• Incorporate anti-displacement practices and policies in land use changes in high risk of displacement communities; and</li> <li>• Allow emergency housing, permanent supportive housing, and emergency shelters in multi-family, commercial, and mixed-use zones where short-term rentals are allowed.”</li> </ul>	Action Plan.