# Update On
# Joint Recommendations Committee
# 2021 State Legislative Priorities

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

Increase the document recording fee by $100 to address the unmet demand for Operating, Rental Assistance and Services funds for affordable housing and support shelters.

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.

**Bill Number:** HB 1277 **Status:** House Appropriations - Necessary to Implement the Budget (NTIB)

Creates a new rental assistance program to help people get caught up on rent. All funds would be deposited into state affordable housing and homeless accounts as follows: five percent to the affordable housing for all account for operating and maintenance and services for permanent supportive housing, two percent to the landlord mitigation program and the remainder to the home security account with the "majority" of funds used for a newly created eviction prevention rental assistance program for households earning 80 percent of the area median income (AMI) and below. Rental assistance under the new program includes both rent and utility assistance to prevent eviction. Other eligible activities include project based rental assistance for nonprofits, foreclosure prevention, dispute resolution eviction prevention, rental assistance for people experiencing homelessness, and tenant legal assistance.

There is some ambiguity over State VS local control over funds. The bill currently requires Commerce to distribute funds consistent with the amount of revenue collected in each county and gives counties that are grantees the opportunity to refuse the grant funds prior to identifying another eligible recipient. Notably this does not achieve clarity on whether the majority of funding will be distributed back out to the counties.

**2. 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:

- **Councilmanic 0.1% sales tax option (RCW 82.14.530)**
  - Allow the subject tax 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 to more effectively meet local housing needs:
    - Clarify that funding can support housing for homeless single adults;

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- Allow funding to support operations and services for populations in existing units of affordable housing, not just new ones.

- **Lodging taxes and affordable housing/behavioral health sales taxes:**
  - Update the allowable populations to more effectively meet local housing needs:
    - Remove the 30% AMI floor on housing related lodging tax revenue expenditures; and
    - Permit lodging tax funds to support capital for youth service space.

**Bill Number: HB 1070** **Status:** Passed House Referred to Senate Rules

Clarifies that the sales taxes can be used for acquiring existing property, housing-related services, and behavioral health services. Clarifies the allowable uses of revenues from the state-shared lodging tax to include housing for people with incomes below 30 percent area median income (AMI); and housing and facilities for homeless youth. Facilities must provide the opportunity for, but not ensure that, 15 percent of serve people who live in or near the city, or have ties to the community, in which the facility is located provided that this prioritization does not jeopardize U.S. Department of Housing and Urban Development funding for the Continuum of Care Program.

**3. 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.

**Status: Pending State Budget.**

**4. 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.

**Status: Pending State Budget**

**5. ADOPT STATEWIDE EVICTION REFORMS**

Pass statewide protections against discriminatory and arbitrary evictions, increase resources for rental assistance and eviction prevention, and support housing stability in response to the COVID economic recession.

- Currently, landlords in Washington State (outside of Seattle, Auburn, Burien, and Federal Way) are able to 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, especially in a tight rental market, are at risk of homelessness when they are unable to find a suitable, affordable home they can afford within 20 days. Improving statewide eviction protections would require that landlords show cause (including failure to pay rent, committing an unlawful activity, or other causes enumerated in 2019 HB 2453) to terminate tenancy before the end of a lease.

- Existing manufactured home (mobile home) relocation reimbursements and notice requirements are outdated and do not adequately meet current market conditions. 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 impacted by the criminal justice system (SB 6490/HB 2878 from 2020).

**Bill Number:** **HB 1236** Status: Passed House, Scheduled for Executive Session in Senate Committee on Housing and Local Government March 18th.

Except for tenancies of an indefinite period during the first year of occupancy, a landlord may terminate a tenancy without cause at the end of an initial lease term between three and 12 months upon a 60- days' written notice. If the landlord does not provide a 60-days' notice, the tenancy becomes a month-to-month tenancy, which may only be terminated.

- Failure to pay rent provided that the landlord must offer a reasonable repayment plan.
- substantial breach of a material program requirement of subsidized housing.
- committing or permitting waste or nuisance, or other substantial or repeated interference with the.
- use and enjoyment of the premises by the landlord or tenant neighbors.
- the landlord, in good faith, seeks possession so they or their immediate family may occupy the unit.
- the landlord elects to sell the premises if it is a single-family residence.
- the landlord plans to demolish, substantially rehabilitate, or change the use of the premises.
- the owner elects to withdraw the premises from the rental market to pursue a conversion.
- the premises are condemned as uninhabitable.
- other good cause exists constituting a legitimate economic or business reason.

**6. RESPOND TO COVID-19**

Respond to increased housing instability caused by the COVID-19 pandemic through resources for rental assistance and landlord support.

**Both 1236 and 1277 would address this item.**