
SENATE BILL 6075

State of Washington

57th Legislature

2001 Regular Session

By Senators Winsley, Prentice and Rasmussen

Read first time 02/19/2001. Referred to Committee on Labor, Commerce & Financial Institutions.

1 AN ACT Relating to preservation of federally assisted housing by
2 nonprofit organizations; creating new sections; and providing an
3 expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that federally
6 assisted housing provides a source of affordable housing for many
7 seniors in Washington. The legislature further finds that owners of
8 federally assisted housing have the option of either prepaying their
9 mortgage or opting out of the program after a specified period of time.
10 The legislature further finds that many nonprofit organizations have a
11 desire to acquire federally assisted housing where the owner has
12 decided to opt out of the program. The legislature further finds that
13 many nonprofit organizations have difficulty in obtaining financing, on
14 an expedited basis, in order to purchase federally assisted housing
15 when it becomes available. The legislature further finds that there is
16 a need to develop financing programs designed to respond to immediate
17 financing needs of nonprofit organizations that are trying to purchase
18 federally assisted housing where the owner is opting out of the
19 program.

1 (2) It is the intent of the legislature to create a task force on
2 federally assisted housing preservation to explore techniques designed
3 to expedite financing to nonprofit organizations that want to purchase
4 federally assisted housing developments where the owner is opting out
5 of the program.

6 NEW SECTION. **Sec. 2.** (1) There is created the task force on
7 federally assisted housing preservation to consist of twelve members.
8 The task force consists of the following members:

9 (a) The chair of the Washington affordable housing advisory board,
10 created under chapter 43.185B RCW, who shall serve as an ex officio
11 member and as chair;

12 (b) The executive director of the Washington state investment board
13 or the director's designee, who shall serve as an ex officio member;

14 (c) The executive director of the Washington housing finance
15 commission or the director's designee, who shall serve as an ex officio
16 member;

17 (d) The secretary of the department of social and health services
18 or the secretary's designee, who shall serve as an ex officio member;

19 (e) Two representatives from nonprofit organizations that represent
20 owners of federally assisted housing developments that serve seniors;

21 (f) Two representatives from for-profit organizations that
22 represent owners of federally assisted housing developments that serve
23 seniors;

24 (g) Three representatives from financial institutions involved in
25 financing senior housing development, one representative must be from
26 an investment and banking firm involved in financing federally insured
27 assisted housing development; and

28 (h) One representative from a public housing authority.

29 (2) The director of the department of community, trade, and
30 economic development shall appoint all nonex officio members to the
31 task force on federally assisted housing preservation. The vice-chair
32 of the task force is selected by majority vote of the task force
33 members. The members of the task force shall serve without
34 compensation.

35 (3) The department of community, trade, and economic development,
36 the Washington state investment board, and the Washington state housing
37 finance commission shall provide necessary information, assistance, and
38 administrative and clerical assistance to the task force.

1 NEW SECTION. **Sec. 3.** The task force on federally assisted housing
2 preservation shall:

3 (1) Review financing needs for the preservation, acquisition, or
4 rehabilitation of federally assisted housing developments for seniors
5 by nonprofit organizations;

6 (2) Review existing federal and state programs and incentives
7 designed to assist in the preservation of federally assisted housing
8 developments for seniors;

9 (3) Review techniques designed to expedite the acquisition
10 financing of federally assisted housing developments for seniors, by
11 nonprofit organizations, where the owner has opted out of the program.
12 This would include, but not be limited to, streamlined loan
13 underwriting, preapproved lines of credit for preservation purchases,
14 and expedited loan approvals by public and private funding sources;

15 (4) Make recommendations on possible financing techniques that
16 could be developed at the state level to assist nonprofit organizations
17 in the preservation of federally assisted housing developments for
18 seniors; and

19 (5) By December 1, 2001, prepare and submit to the appropriate
20 committees of the legislature a report detailing its findings and
21 recommendations regarding financing techniques designed to assist
22 nonprofit organizations in the preservation, acquisition, or
23 rehabilitation of federally assisted housing developments for seniors
24 where the owner is planning to opt out of the program.

25 NEW SECTION. **Sec. 4.** This act expires February 1, 2002.

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