

# HOUSE BILL REPORT

## SB 5612

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### As Reported by House Committee On: Housing

**Title:** An act relating to housing assistance grants and loans.

**Brief Description:** Expanding programs eligible for housing assistance grants and loans.

**Sponsors:** Senators Berkey, Schmidt, Keiser, Roach, Kohl-Welles, Oke, Pridemore, Fairley, Kline, Shin and McAuliffe.

#### **Brief History:**

##### **Committee Activity:**

Housing: 3/22/05, 3/24/05 [DP].

#### **Brief Summary of Bill**

- Preference for Housing Trust Fund assistance is extended to applicant projects which include employment and training opportunities in Washington apprenticeship programs.

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### HOUSE COMMITTEE ON HOUSING

**Majority Report:** Do pass. Signed by 5 members: Representatives Miloscia, Chair; Springer, Vice Chair; Ormsby, Pettigrew and Sells.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Holmquist, Ranking Minority Member; Dunn, Assistant Ranking Minority Member; McCune and Schindler.

**Staff:** Robyn Dupuis (786-7166).

#### **Background:**

The Housing Trust Fund was created by the Legislature in 1987 for the purpose of establishing a continuously renewable resource to help Washington communities meet the basic housing needs of low-income and special needs populations.

Today, according to the Department of Community, Trade and Economic Development (DCTED), more than 405,000 low-income Washington households pay a disproportionate share of their incomes for housing. These households have incomes below 80 percent of the area's median income and spend more than 30 percent of their income on housing costs.

The Housing Trust Fund, administered by the DCTED, provides financial assistance in the form of grants and loans to eligible local governments, housing authorities, non-profit organizations, and federally recognized Indian tribes within our state. The projects and activities of applicants are given preference for financial assistance eligibility on the basis of 13 statutory criteria, as follows:

- degree to which the grant or loan will cause other funds to be leveraged;
- level of commitment from other programs to provide support services, if focusing on a special needs project;
- recipient contributions to the total project cost;
- ownership, management, and other project-related responsibilities are encouraged;
- low-income or special needs groups who are likely to be served for at least 25 years;
- applicant has a demonstrated ability, stability, and resources to complete the project;
- project demonstrates serving the greatest need;
- persons and families with the lowest incomes are served;
- project serves a special needs population that is under statutory mandate to develop community housing; and
- proximity and access to local employment centers.

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**Summary of Bill:**

Criteria for applications to be given preference for funding by the Housing Trust Fund is expanded to include applicant projects that provide employment and training opportunities in Washington certified apprenticeship programs.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** This bill simply provides an incentive to housing developers to provide opportunities for participants in apprenticeship programs to gain experience on the job. The state has made an investment in apprenticeship programs and it makes sense to dovetail this state money with the apprenticeship initiative. This initiative adds an additional social value to Housing Trust Fund projects by opening up more opportunities for young people and low-income housing residents to gain skills and on the job experience. Training opportunities could help low-income housing residents gain more job skills and obtain better jobs so that they can move out of low-income housing projects.

**Testimony Against:** None.

**Persons Testifying:** Senator Berkey, prime sponsor; and Ed Trezenberg and Eric Franklin, Pacific Northwest Regional Carpenters.

**Persons Signed In To Testify But Not Testifying:** None.