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**Community Development, Housing &  
Tribal Affairs Committee**

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**SB 6338**

**Brief Description:** Giving preferences to housing trust fund projects that involve collaboration between local school districts and housing authorities to help children of low-income families succeed in school.

**Sponsors:** Senators Dammeier, Darneille, Angel, Keiser, Honeyford and Tom.

**Brief Summary of Bill**

- Adds a preference to the criteria for Housing Trust Fund grants for projects with partnerships between school districts and housing authorities that help children.

**Hearing Date:** 2/26/14

**Staff:** Sean Flynn (786-7124).

**Background:**

The Housing Trust Fund (HTF), established in 1987, is administered by the Department of Commerce (COM) as a renewable resource to meet the basic housing needs of low-income and special needs citizens.

The Legislature has funded the HTF over the last several years at the following levels:

Biennium	Total HTF state funding levels
FY 2003-05	\$81 million
FY 2005-07	\$100 million
FY 2007-09	\$200 million
FY 2009-11	\$130 million
FY 2011-13	\$117 million
FY 2013-15	\$51.5 million

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The COM administers the Housing Assistance Program (HAP) through the HTF. The COM distributes HAP funds through a competitive grant process to eligible organizations for projects that serve individuals and families with special needs and whose income is at or below 50 percent of the median family income for the county or city where the project is located. At least 30 percent of this funding must be used for projects in rural areas. Organizations eligible to receive funding include:

- local governments;
- local housing authorities;
- regional support networks;
- nonprofit community or neighborhood-based organizations;
- federally recognized Indian tribes; and
- regional or statewide nonprofit housing assistance organizations.

The COM must grant as many applications as available funding allows. In awarding funds, the COM must provide for geographic distribution statewide. The COM must give first priority to projects that use privately owned housing purchased by a public housing authority or nonprofit public development authority. A second priority must be given to projects that use publicly owned housing. Within these priorities, the COM must give preference to projects based on some or all of the following criteria:

- the degree of leveraging of other funds;
- the degree of commitment from programs focusing on special needs populations that provide necessary habilitation and support services;
- contributions from recipients to total project costs, including allied contributions from other sources such as professional, craft and trade services, and lender interest rate subsidies;
- local government project contributions, including infrastructure improvements;
- projects that encourage ownership, management, and other project-related responsibility opportunities;
- projects that demonstrate a strong probability of serving the original target group or income level for a period of at least twenty-five years;
- an applicant's demonstrated ability, stability and resources to implement the project;
- projects which demonstrate serving the greatest need;
- projects that provide housing for persons and families with the lowest incomes;
- projects serving special needs populations which are under statutory mandate to develop community housing;
- project location and access to employment centers in the region or area;
- projects that provide certain employment and training opportunities for disadvantaged youth; and
- the project location and access to available public transportation services.

Applications for projects that serve persons with mental illnesses must be consistent with a regional support network six-year capital and operating plan.

#### Local School Districts.

There are 295 school districts in Washington. Each district administers the public school system in its jurisdiction and elects a board to direct policies and operate the school program. Local school boards have broad authority to manage and oversee the education programs in their districts.

Public Housing Authorities.

Housing authorities are public nonprofit corporations created by cities and counties that provide affordable housing opportunities within a community. Housing authorities have broad powers, including purchasing and disposing of property to create housing, leasing or renting property, operating housing projects, and administering low-income housing programs.

**Summary of Bill:**

The preference criteria for awarding projects under the HAP includes projects involving collaborative partnerships between local school districts and public housing authorities that help children of low-income families succeed in school.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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