
Capital Budget Committee

HB 1633

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

Sponsors: Representatives Zeiger, Jenkins, Young, Fey, Appleton, Hargrove, Sawyer, Walsh, Stanford, Johnson, Riccelli, Kochmar, Muri, Pollet, Kagi and Wylie.

Brief Summary of Bill

- Adds a preference criterion for Housing Trust Fund applications for projects involving partnerships between school districts and public housing authorities or nonprofit housing providers that help children of low-income families succeed in school.

Hearing Date: 2/6/15

Staff: Meg VanSchoorl (786-7105).

Background:

Housing Assistance Program.

Established by the Legislature in 1987 and administered by the Department of Commerce (Commerce), the Housing Assistance Program (HAP), also commonly referred to as the Housing Trust Fund (HTF), provides loans and grants for construction, acquisition, and rehabilitation of low-income, multi-family and single-family housing. Housing units supported by the HAP may only serve people with special housing needs and whose incomes are at 50 percent or below a local area's median income. At least 30 percent of the HAP resources in a funding cycle must benefit projects in rural communities. 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. Since 1989, the HAP has invested \$976 million in 41,257 housing units statewide for people with low incomes, persons with special needs, farm

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workers, homeless individuals and families, seniors, and other target populations. Over the last six biennia, the Legislature has funded the HAP at the following levels:

2003-2005	\$81 million
2005-2007	\$100 million
2007-2009	\$200 million
2009-2011	\$130 million
2011-2013	\$117 million
2013-2015	\$51.5 million

In awarding funds, Commerce must provide for statewide geographic distribution. Commerce 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, Commerce must give preference to projects based on some or all of the 13 criteria listed in the statute. Examples of the criteria are:

- 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;
- local government contributions, including infrastructure improvements;
- projects that demonstrate a strong probability of serving the original target group or income level for at least 25 years;
- an applicant's demonstrated ability to implement the project; and,
- project location and access to area employment centers and to available public transportation services.

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.

Nonprofit Housing Providers.

Nonprofit housing providers are private not-for-profit organizations, including community development corporations, that provide affordable housing opportunities within a community. Nonprofit housing providers may finance, build, and/or manage affordable housing projects. Examples of nonprofit housing providers in Washington include Mercy Housing, Interim Community Development Association, and Spokane Housing Ventures.

Summary of Bill:

In addition to existing preference criteria, project applications involving collaborative partnerships between local school districts and either public housing authorities or nonprofit housing providers that help children of low-income families succeed in school must be given preference by Commerce.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Section 1 of the bill takes effect ninety days after adjournment of the session in which the bill is passed, and expires April 1, 2016. Section 2 of the bill takes effect April 1, 2016.