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

HB 2689

Brief Description: Creating a financing program for historic building preservation.

Sponsors: Representatives Pettigrew, Zeiger, Santos and Pollet.

Brief Summary of Bill

- Creates the Historic Building Rehabilitation Financing Program (Program) in the Department of Commerce to provide loans for the safety and preservation of historic buildings.
- Appropriates \$10 million from the 2015 capital budget to fund the Program.

Hearing Date: 1/25/16

Staff: Sean Flynn (786-7124).

Background:

Department of Commerce. The Department of Commerce (Department) serves the state's interests regarding community and economic development as well as trade and business expansion. The department administers various federal, state, and local grant and loan programs in areas such as community services, affordable housing development, economic development, and local infrastructure.

Historic Buildings. The Department of Archeology and Historic Preservation (DAHP) maintains the Washington Heritage Register (Register), which includes a list of buildings, structures, sites, and objects of historical, architectural, archeological, or cultural state significance. The DAHP also administers the National Register of Historic Places for the state.

Summary of Bill:

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.

Historic Building Rehabilitation Financing Program. The Historic Building Rehabilitation Financing Program (Program) is created to preserve historical buildings in the state and to protect public safety around historical buildings. The program is administered in the Department.

The program provides gap financing for rehabilitation projects on eligible historic properties through low interest loans, forgivable loans, and grants. The rehabilitation projects include work on infrastructure for safety and security purposes, such as fire protection and reinforcement, as well as for habitability and code compliance.

To be eligible for program funding, a historic building must be:

- eligible for listing on the National Register of Historic Places;
- designated as a landmark by the City of Seattle Landmark Preservation Board, or similar organization in another jurisdiction; or
- at least 50 years old, retaining historical characteristics of construction, and expected to contribute to the economic vitality of the area.

Projects must be evaluated based on whether they preserve historical heritage, protect public safety and health around historic buildings, and contribute to economic stability. Other evaluation criteria include whether the project has leveraged funding from private or public lenders and how much the property owner has committed resources to the project. The building owner must pay at least five percent of the total project cost in cash in order to qualify for financing.

Appropriation: None.

Fiscal Note: Requested on 1/20/2016.

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