

SENATE BILL REPORT

SHB 1377

As Reported by Senate Committee On:
Housing Stability & Affordability, April 1, 2019

Title: An act relating to affordable housing development on religious organization property.

Brief Description: Concerning affordable housing development on religious organization property.

Sponsors: House Committee on Housing, Community Development & Veterans (originally sponsored by Representatives Walen, Barkis, Jenkin, Harris, Springer, Macri, Wylie, Ryu, Reeves, Robinson, Griffey, Appleton, Bergquist, Jenkins, Tharinger, Slatter, Kloba, Doglio, Goodman, Leavitt, Ormsby and Santos).

Brief History: Passed House: 3/08/19, 84-12.

Committee Activity: Housing Stability & Affordability: 3/27/19, 4/01/19 [DPA].

Brief Summary of Amended Bill

- Requires certain cities and counties engaged in comprehensive planning to allow for an increased density bonus for an affordable housing development located on real property owned or controlled by a religious organization.
- Requires the affordable housing development to be dedicated to exclusive use by low-income households for a minimum of 50 years through a lease or other binding agreement.

SENATE COMMITTEE ON HOUSING STABILITY & AFFORDABILITY

Majority Report: Do pass as amended.

Signed by Senators Kuderer, Chair; Das, Vice Chair; Zeiger, Ranking Member; Darneille, Fortunato, Saldaña and Warnick.

Staff: Brandon Popovac (786-7465)

Background: Cities and counties engaging in comprehensive planning may enact ordinances and codes to regulate the use of land and zoning of certain developments and activities. Such regulations generally include:

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- the location, construction, and size of buildings for residence, industry, trade, and other purposes;
- the height, construction, and design of buildings and structures;
- the size of yards, open spaces, lots, and tracts;
- the density of population;
- the set-back of buildings;
- the subdivision and development of land; and
- adoption of standard building codes and fire regulations.

A density bonus is a zoning tool that permits developers to build more housing units, taller buildings, or more floor space than normally allowed, in exchange for provision of a defined public benefit, such as a specified number or percentage of affordable housing units. State law allows for density bonuses to be provided as a local option as part of an affordable housing incentive program.

The Joint Legislative Audit and Review Committee (JLARC) is comprised of an equal number of House of Representatives and Senate members from each caucus. The nonpartisan staff of JLARC conduct performance audits, program evaluations, sunset reviews, and other analyses assigned by the Legislature and JLARC itself.

Summary of Amended Bill: Any city planning, or any city or county fully planning under the Growth Management Act (GMA), must allow an increased density bonus consistent with local needs for any affordable housing development of any single-family or multiple-family residence located on real property owned or controlled by a religious organization. Such cities and counties may develop policies to implement the increased density bonus allowance once a religious organization requests the allowance for an affordable housing development. The affordable housing development must be set aside for and occupied exclusively by low-income households for at least 50 years by a lease or other binding legal obligation, even if the religious organization no longer owns the property. The development must agree not to discriminate based on a list of demographic factors, including creed, disability, and sexual orientation. Developments that are created within a city or county fully planning under GMA must be located within an urban growth area.

A religious organization developing affordable housing must agree to pay fees, mitigation costs, and other charges and, if applicable, is encouraged to work with the local transit agency to ensure appropriate transit services are provided. Any religious organization that is rehabilitating an existing affordable housing development is subject to the provisions of this act.

JLARC must review the efficacy of the increased density bonus allowance and report its findings to the Legislature by December 1, 2030, which must include a recommendation on whether the allowance should be continued without change or should be amended or repealed.

Affordable housing development is defined as housing in which 100 percent of proposed or existing units are set aside for or occupied by low-income households whose income is less than 80 percent of the median family income, and the sales price or rent amount may not exceed 30 percent of the income limit for the low-income housing unit.

EFFECT OF HOUSING STABILITY & AFFORDABILITY COMMITTEE AMENDMENT(S):

- Requires the affordable housing development to be part of a lease or other binding obligation requiring the development to be for affordable housing for at least 50 years as opposed to 40 years.
- Encourages the religious organization developing the affordable housing to work with the local transit agency to ensure appropriate services, if applicable.
- Clarifies that the increased density bonus allowance applies to any religious organization rehabilitating an existing affordable housing development.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Substitute House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This bill has been worked on for a couple of years and presents opportunities to provide some incentives and voluntary approaches to improve and increase housing availability. Allowing the density bonus to be consistent with local needs essentially allows local jurisdictions to work with the religious organizations and find an increase that meets those local conditions. Local jurisdictions can develop policies after receiving a request for the density bonus since there is uncertainty on the uptake by local jurisdictions on this allowance.

Persons Testifying: PRO: Carl Schroeder, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: No one.