SUBSTITUTE SENATE BILL 5375

State of Washington 67th Legislature 2021 Regular Session

By Senate Housing & Local Government (originally sponsored by Senators Warnick, Fortunato, Rolfes, Van De Wege, and Wilson, J.)

READ FIRST TIME 02/11/21.

- 1 AN ACT Relating to the provision of technical assistance for low-
- 2 income housing development in rural locations; amending RCW
- 3 43.185.080; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. Sec. 1. The legislature finds that affordable 6 housing is reaching crisis levels in rural areas. Rural counties 7 appear to be at a disadvantage to be competitive for public housing 8 tax money. The legislature finds that in order to appropriately 9 address such issues, it is important that rural communities be provided with the appropriate levels of technical assistance in order 10 11 to maximize the number of and financing available for affordable
- 12 housing projects in such rural areas.
- 13 **Sec. 2.** RCW 43.185.080 and 1991 c 356 s 6 are each amended to 14 read as follows:
- 15 (1) The department may use moneys from the housing trust fund and other legislative appropriations, but not appropriations from capital bond proceeds, to provide preconstruction technical assistance to eligible recipients seeking to construct, rehabilitate, or finance housing-related services for very low and low-income persons. The department shall emphasize providing preconstruction technical

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- assistance services to rural areas and small cities and towns. The department may contract with nonprofit organizations to provide this technical assistance. The department may contract for any of the following services:
 - (a) Financial planning and packaging for housing projects, including alternative ownership programs, such as limited equity partnerships and syndications;
 - (b) Project design, architectural planning, and siting;
 - (c) Compliance with planning requirements;

- (d) Securing matching resources for project development;
- (e) Maximizing local government contributions to project development in the form of land donations, infrastructure improvements, waivers of development fees, locally and state-managed funds, zoning variances, or creative local planning;
- (f) Coordination with local planning, economic development, and environmental, social service, and recreational activities;
 - (g) Construction and materials management; and
 - (h) Project maintenance and management.
- (2) The department shall publish requests for proposals which specify contract performance standards, award criteria, and contractor requirements. In evaluating proposals, the department shall consider the ability of the contractor to provide technical assistance to low and very low-income persons and to persons with special housing needs.
- (3) During the 2021-2023 fiscal biennium, and subject to the availability of amounts appropriated for this specific purpose, the department shall contract with one or more affordable housing development consultants to provide technical and preconstruction assistance to rural communities in eastern and western Washington. The consultant contracts must include performance measures, such as increases in the number of low-income housing projects well positioned for competitive funding rounds under the housing trust fund program or other capital financing programs, the success of such project applications in obtaining capital financing awards, and the development of new affordable housing units in rural communities.

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