

Weekly Legislative Update: Housing and Homelessness

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Bills Needing Action This Week

Note that there are several housing-related bills that are described in the Growth Management weekly update here.

On Monday, January 30, at 1:30 pm, the House Housing Committee will be holding public hearings on a number of bills related to permitting, generally with the intention of simplifying development of new housing units, particularly for increasing affordable housing capacity, as follows. To the extent there is overlap, the committee's decisions will include reconciling them. If you choose to sign in PRO on any of these, please do so prior to 12:30 pm on Monday.

<u>HB 1252</u> Concerning impact fee deferrals. This bill amends the chapter of RCW that authorizes impact fees and allows deferrals of fee payments for single family residential development to allow an agreement with the developer to specify when the fee will be paid and specifies conditions that must be met in the agreement.

• Sign in PRO here.

<u>HB 1293</u> Streamlining development regulations. This bill is intended to support infill development of housing units by exempting certain infill projects from environmental review processes, provided that the jurisdiction has done an EIS and that the development is in an area zoned for residential development.

• Sign in PRO <u>here</u>.

HB 1401 Allowing cities and counties to create a simple, standardized housing permit process for affordable housing units in areas designated for housing. This bill amends the Growth Management Act to allow all cities and counties to adopt development regulations that create a simple, low cost, expedited permit process for development of single-family, duplex, triplex, or accessory dwelling housing units with less than 1,801 square feet per unit and requires those jurisdictions who do this to report on units built. Note: this bill is covered on the web page and in the weekly update for Growth Management.

• Sign in PRO here.

<u>HB 1611</u> Concerning local government permitting. This bill modifies the Growth Management Act to mandate a review of permitting processes by March 2024 in most jurisdictions to assure that deadlines for various steps in permitting specified in the bill will be met. <u>Note</u>: this bill is covered on the web page and in the weekly update for Growth Management.

• Sign in PRO <u>here</u>.

Public hearings on these two bills will be held in the House Housing Committee on Tuesday, January 31, at 4:00 pm. Please sign in PRO before 3:00 pm on January 31.

<u>HB 1343</u> Providing local governments with options to grant rent relief and preserve affordable housing in their communities.

• Sign in PRO here.

HB 1350 Expanding the multifamily tax exemption program to include converting existing multifamily units.

• Sign in PRO here.

<u>SB 5334</u> Providing a local government option for the funding of essential affordable housing programs, would authorize local governments to establish an excise tax on the sale of or charge made for the furnishing of lodging of short-term rentals facilitated through a short-term rental platform (e.g., Air bnb). The revenue from this tax must be used exclusively for the operating and capital costs of affordable housing programs including, but not limited to, homeless housing assistance, temporary shelters, and other related services. This bill is scheduled for public hearing on Tuesday, January 31, at 8:00 am.

Please sign in PRO here before 7:00 am on January 31.

Updates

In the first week of this legislative session, a large number of bills were introduced and many public hearings were already scheduled in both the House and Senate Housing Committees. The following bills were moved out of committee in executive session after the public hearings.

HB 1042 Concerning the use of existing buildings for residential purposes, would prohibit cities from imposing certain restrictions or requirements on new housing units constructed within an existing building that is located in a zone that permits multifamily housing. These include density, parking and other. This bill was passed out of the House Housing Committee on January 19 as a substitute with a Do Pass recommendation and has been referred to the Rules Committee.

<u>HB 1046</u> Expanding housing supply by supporting the ability of public housing authorities to finance affordable housing developments by re-benchmarking area median income limits. This increases the area median income limits on a public housing authority financed, low-income housing development to 80 percent, making affordable housing accessible to a larger population that in spite of higher income levels is challenged to find housing they can afford. This bill has passed the House and has a public hearing scheduled in the Senate Housing Committee on February 1.

<u>HB 1054</u> Addressing the authority of owners' associations in common interest communities to regulate or limit occupancy by unrelated persons, would prohibit an association of unit owners in a common interest community from regulating or limiting the number of unrelated persons that may occupy a unit. This bill was passed out of the House Housing Committee with a Do Pass recommendation and has been moved to the House Rules Committee.

<u>HB 1070</u> Exempting the sale and leaseback of property by a seller from the residential landlord-tenant act when the seller agrees to a written lease at closing. This would allow the buyer to allow the seller to remain living in the home for up to six months if there is a written agreement between the buyer and seller. This bill passed the House and has a public hearing on February 1 in the Senate Housing Committee.

HB 1074 Addressing documentation and processes governing landlords' claims for damage to residential premises, increases tenant protection from landlord abuse of damage deposits and claims. It would require a landlord to substantiate the cost of any damages withheld from a tenant deposit with repair estimates, invoices, or other documentation; prohibit a landlord from withholding any portion of a tenant deposit for certain items; and establish a one-year statute of limitations for a landlord to take any action against a tenant to recover sums exceeding the amount of the damage deposit. It would also provide the landlord with additional time to provide such documentation. This bill passed as a substitute bill from the House Housing Committee on January 26.

HB 1111 Concerning housing benefit districts. This bill provides local governments with more options to increase residential capacity, especially in urban areas, by authorizing cities to establish housing benefit districts. These districts would be governed by a board and would be allowed to acquire, through land banking, predevelopment contracting, selling, improving, funding, and leasing, land for the development of affordable housing for low-income and moderate-income households within an area a half-mile or less from a major transit stop and is zoned for average minimum density of 15 dwelling units per acre or more. This bill had a public hearing in the House Housing Committee on January 19 but has not yet been scheduled for executive session.

<u>HB 1124</u> Protecting tenants from excessive rent and related fees by providing at least six months' notice for rent increases over a certain amount. This bill would require between 180-and 220-days' notice of rent increases that exceed five percent. It would address recent

egregious rent increases that have forced people to move because they could not afford the increase and give tenants subject to such increases more time to plan and organize their necessary responses. This bill passed the House Housing Committee as a substitute on January 26.

<u>HB 1129</u> Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit. This bill would add protection for manufactured/mobile home owners when the land they rent is sold and they are vulnerable to having to move. This bill had a public hearing in the House Housing Committee on January 16 but has not yet been scheduled for executive session.

<u>SB 5045</u> Incentivizing rental of accessory dwelling units to low-income households, would allow counties to provide a property tax exemption for an accessory dwelling unit if certain conditions are met for as long as it is rented to a low-income household. This bill was passed out of committee on January 25 as a substitute and referred to the Senate Ways & Means Committee.

<u>SB 5060</u> Requiring the registration of rental and vacant housing units, would require landlords to register their rental units with Department of Commerce, thereby providing a method of tracking and reporting rental rates across the state. This bill had a public hearing in the House Housing Committee on January 11 but has not yet been scheduled for executive session.

SB 5118 Concerning modifying the multifamily property tax exemption to promote development of long-term affordable housing. This bill would create a new 99-year property tax exemption for properties that commit to renting or selling at least 35 percent of the multifamily housing square footage as affordable housing to low- and moderate-income households. This bill had a public hearing in the House Housing Committee on January 13 but has not yet been scheduled for executive session.

SB 5197 Addressing landlord-tenant relations by providing technical changes to eviction notice forms and modifying certain eviction processes. This bill would add to tenant protection in eviction proceedings. This bill had a public hearing in the House Housing Committee on January 20 but has not yet been scheduled for executive session.

<u>SB 5279</u> Expanding a sales and use tax deferral program for affordable housing to include structures initially used as temporary employee housing for employees constructing warehouses, distribution centers, and other large facilities. The League will watch this bill. Tax benefits are typically used to encourage certain policies for statewide benefit. It is not clear that the benefit of this proposal outweighs the tax obligation. This bill had a public hearing in the House Housing Committee on January 20 and is scheduled for executive session on February

<u>SB 5301</u> Concerning housing programs administered by the department of commerce, would authorize the Housing Trust Fund administered by the Department of Commerce to support

low-income residents in new ways. This bill had a public hearing in the House Housing Committee on January 20 and is scheduled for executive session on February 1.

How You Can Be Involved

- Respond to Action Alerts in the legislative newsletter. These will primarily appear in the section of the newsletter related to housing and homelessness.
- Join the League's Housing Affinity Group by contacting Cynthia Stewart, cstewart@lwvwa.org.
- Work with your local jurisdiction to assure that comprehensive planning will address the housing needs of your community. Contact your city or county planning department to obtain a comp plan development schedule and opportunities for engagement.