

# HOUSE BILL REPORT

## SHB 2189

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### As Passed Legislature

**Title:** An act relating to financing needs for senior housing.

**Brief Description:** Creating a task force to study alternative financing techniques for the development and renovation of low-income senior housing development.

**Sponsors:** By House Committee on Trade & Economic Development (originally sponsored by Representatives McDonald, Van Luven, Veloria and Cooke).

**Brief History:**

**Committee Activity:**

Trade & Economic Development: 3/4/97, 3/5/97 [DPS].

**Floor Activity:**

Passed House: 3/12/97, 96-0.

Senate Amended.

House Concurred.

Passed Legislature.

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### HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Veloria, Ranking Minority Member; Sheldon, Assistant Ranking Minority Member; Alexander; Ballasiotes; Mason; McDonald and Morris.

**Staff:** Kenny Pittman (786-7392).

**Background:** In the 1960s, several federal programs were created to assist in the development or preservation of housing for seniors or persons with disabilities. These programs either provided direct funds or mortgage insurance to finance the construction or renovation of rental housing. Many of these developments are now in need of renovation or repair that include upgraded kitchen units, installation of sprinkler or fire suppression systems, new electrical and plumbing work, new elevators, and upgraded water and sewer systems. Reductions in federal funding have hampered efforts to finance these improvements.

**Summary of Bill:** The Task Force on Financing Senior Housing and Housing for Persons with Disabilities is created. The task force consists of 13 members with

representation from public and private sector organizations involved in the provision of senior housing and housing for persons with disabilities. The task force members include: (1) the director of the Department of Community, Trade and Economic Development; (2) the executive director of the Washington State Investment Board; (3) the executive director of the Washington State Housing Finance Commission; (4) four representatives from organizations involved in the management of senior housing developments, one representative from owners of senior housing developments; (5) three representatives from financial institutions, one representative must be from an investment and banking firm involved in financing federally insured senior housing developments; (6) one representative of a mobile home owners association that represents seniors; (7) one representative of a mobile home park owners association and (8) one representative from a public housing authority. The director of the Department of Community, Trade, and Economic Development must appoint the members of the task force and is the chair of the task force.

The task force is authorized to: (1) review financing needs of low income senior housing and housing for persons with disabilities; (2) review existing federal and state programs and incentives for the construction or renovation of senior housing and housing for persons with disabilities; (3) review programs and techniques in other states and countries for the construction or renovation of senior housing and housing for persons with disabilities; (4) make recommendations on possible state financing techniques to assist in the construction or renovation of senior housing and housing for persons with disabilities; and (5) prepare and submit a report to the Senate Committee on Financial Institutions and Housing and the House of Representatives' Committee on Trade and Economic Development with its finding and recommendations by December 15, 1997.

The Department of Community, Trade and Economic Development, the Washington State Investment Board, and the Washington State Housing Finance Commission must provide administrative and clerical assistance to the task force. The task force expires February 1, 1998.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** As the federal government reduces its role in housing, the public and private sector will have to develop new financing techniques to meet the development and renovation needs of senior housing. This study will help identify what is working in other states and countries and what could work here. Bringing everyone together on the task force will be an important first step as we work to solve these important problems.

**Testimony Against:** None.

**Testified:** Kim Herman, Washington Housing Finance Commission (pro); Majken Ryherd-Kiera, Washington Low-Income Housing Congress (pro); Daniel Smerkens, Sisters of Providence (pro); Karen Tynes, Washington Association of Homes for the Aged (pro); Roberta Sherwood, Hilltop House, Inc. (pro); Coyle Jefferson, Archdiocese Housing Authority (pro); and Enid Buchanan, Washington Department of Community, Trade and Economic Development (pro).