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**HOUSE BILL 1101**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Representatives Walsh, Corry, Graham, Dent, Caldier, and Harris-Talley

AN ACT Relating to creating a grant program for converting unused public buildings to housing for homeless persons; amending RCW 43.63A.510; adding a new section to chapter 43.185A RCW; and providing an expiration date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  A new section is added to chapter 43.185A RCW to read as follows:

(1) The public building conversion grant program is created in the department. The purpose of this program is to encourage counties to convert unused, publicly owned buildings into housing for homeless persons. The department shall manage, oversee, and evaluate public building conversion grant program applications separately from the process required in RCW 43.185A.090 and shall, subject to appropriation, award grants annually. The department may establish criteria or guidelines to guide counties in the application process. Only counties with a population of 100,000 or less are eligible to apply to the department for public building conversion grants.

(2) Counties applying for public building conversion grants must submit an inventory of unused public buildings to the department prior to April 1, 2021. To remain eligible for public building conversion grants, counties must update and resubmit the inventory to the department on a quarterly basis. The department must post the inventory on its public website along with the inventory of state-owned and publicly owned lands and buildings required in RCW 43.63A.510.

(3) Public building conversion grants may be used only for costs related to rehabilitation, retrofitting, and conversion of unused, publicly owned buildings for use as housing for homeless persons. Eligible projects include, but are not limited to, rehabilitation of older buildings and conversion of commercial buildings to residential use or transitional housing.

(4) Public building conversion grants may not be used for staffing or maintaining buildings converted to housing for the homeless. Costs for staffing and maintenance must be borne by the county.

(5) The department shall adopt policies to ensure that the state's interest will be protected upon the sale or change of use of projects financed in whole or in part under this section or any other applicable conditions of grant funding. These policies may include, but are not limited to, requiring repayment of the grant upon the sale or change of use of the project or upon a county's failure to comply with the conditions of grant funding.

(6) For purposes of this section, "homeless person" has the same meaning as in RCW 43.185C.010.

(7) This section expires December 31, 2022.

**Sec.**  RCW 43.63A.510 and 2018 c 217 s 1 are each amended to read as follows:

(1) The department must work with the designated agencies to identify, catalog, and recommend best use of under-utilized, state-owned land and property suitable for the development of affordable housing for very low-income, low-income or moderate-income households. The designated agencies must provide an inventory of real property that is owned or administered by each agency and is vacant or available for lease or sale. The department must work with the designated agencies to include in the inventories a consolidated list of any property transactions executed by the agencies under the authority of RCW 39.33.015, including the property appraisal, the terms and conditions of sale, lease, or transfer, the value of the public benefit, and the impact of transaction to the agency. The inventories with revisions must be provided to the department by November 1st of each year.

(2) The department must consolidate inventories into two groups: Properties suitable for consideration in affordable housing development; and properties not suitable for consideration in affordable housing development. In making this determination, the department must use industry accepted standards such as: Location, approximate lot size, current land use designation, and current zoning classification of the property. The department shall provide a recommendation, based on this grouping, to the office of financial management and appropriate policy and fiscal committees of the legislature by December 1st of each year.

(3) ((~~Upon written request, the~~)) The department shall provide a copy of the inventory of state-owned and publicly owned lands and buildings ((~~to parties interested in developing the sites for affordable housing~~)) on its public website.

(4) As used in this section:

(a) "Affordable housing" means residential housing that is rented or owned by a person who qualifies as a very low-income, low-income, or moderate-income household or who is from a special needs population, and whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income.

(b) "Very low-income household" means a single person, family, or unrelated persons living together whose income is at or below fifty percent of the median income, adjusted for household size, for the county where the affordable housing is located.

(c) "Low-income household" means a single person, family, or unrelated persons living together whose income is more than fifty percent but is at or below eighty percent of the median income where the affordable housing is located.

(d) "Moderate-income household" means a single person, family, or unrelated persons living together whose income is more than eighty percent but is at or below one hundred fifteen percent of the median income where the affordable housing is located.

(e) "Affordable housing development" means state-owned real property appropriate for sale, transfer, or lease to an affordable housing developer capable of:

(i) Receiving the property within one hundred eighty days; and

(ii) Creating affordable housing units for occupancy within thirty-six months from the time of transfer.

(f) "Designated agencies" means the Washington state patrol, the state parks and recreation commission, and the departments of natural resources, social and health services, corrections, and enterprise services.

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