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**SENATE BILL 6152**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Senators Cleveland, Shewmake, Rivers, Frame, Salomon, Trudeau, Nguyen, Keiser, Liias, Pedersen, Kuderer, Nobles, Saldaña, and Valdez

AN ACT Relating to requiring certain counties to measure the gap between estimated existing housing units and existing housing needs to meet local housing demands; amending RCW 43.155.070; adding a new section to chapter 36.70A RCW; and creating a new section.

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

NEW SECTION. **Sec.**  A new section is added to chapter 36.70A RCW to read as follows:

(1)(a) A county subject to the review and evaluation requirements of RCW 36.70A.215 must, in consultation with its cities, provide for the annual collection of data on the progress they have achieved in closing the gap between estimated existing housing units within the county and existing housing needs. The data collected must include:

(i) An analysis of the estimated existing housing units and existing housing needs within the county at the following income levels: 0–30 percent of the area median income, 30–50 percent of the area median income, 50–80 percent of the area median income, 80–100 percent of the area median income, 100–120 percent of the area median income, and greater than 120 percent of the area median income; and

(ii) The county's progress in meeting emergency housing, emergency shelters, and permanent supportive housing needs within the district.

(b) A county subject to the requirements of this section and RCW 36.70A.130(5)(a) must report the annual data collected to the department no later than June 30, 2026, and each year thereafter.

(c) A county subject to the requirements of this section and RCW 36.70A.130(5)(b) must report the annual data collected to the department no later than one calendar year after their comprehensive plan periodic update, and each year thereafter.

(d) Should a county find that the gap between estimated existing housing units and existing housing needs has not decreased from the preceding year, the county, in consultation with its cities, must limit units built for 750 percent of area median income. A jurisdiction may limit units built through a moratorium or other legislative action.

(2) By July 1, 2027, and each year thereafter, the department shall publish an annual report which includes a summary of the data collected by each county as required under this section, including:

(a) The estimated existing housing units and existing housing needs at the following income levels: 0–30 percent of the area median income, 30–50 percent of the area median income, 50–80 percent of the area median income, 80–100 percent of the area median income, 100–120 percent of the area median income, and greater than 120 percent of the area median income; and

(b) The progress in meeting emergency housing, emergency shelters, and permanent supportive housing needs within a district.

(3) A county or city subject to the requirements of this section is eligible to receive funds under chapter 43.155 RCW to defray infrastructure and clean water costs related to infill development and any other increase in affordable housing units.

**Sec.**  RCW 43.155.070 and 2021 c 65 s 49 are each amended to read as follows:

(1) To qualify for financial assistance under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 may not receive financial assistance under this chapter unless it has adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving financial assistance under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 that has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 may apply for and receive financial assistance under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before executing a contractual agreement for financial assistance with the board.

(3) In considering awarding financial assistance for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board must consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4)(a) The board must develop a process to prioritize applications and funding of loans and grants for public works projects submitted by local governments. The board must consider, at a minimum and in any order, the following factors in prioritizing projects:

(i) Whether the project is critical in nature and would affect the health and safety of many people;

(ii) The extent to which the project leverages other funds;

(iii) The extent to which the project is ready to proceed to construction;

(iv) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(v) Whether the project promotes the sustainable use of resources and environmental quality, as applicable;

(vi) Whether the project consolidates or regionalizes systems;

(vii) Whether the project encourages economic development through mixed‑use and mixed income development consistent with chapter 36.70A RCW;

(viii) Whether the project encourages infill development or any other increase in affordable housing units in counties subject to the requirements of section 1 of this act. For purposes of this subsection (4)(a)(viii), "affordable housing" has the same meaning as in RCW 36.70A.030;

(ix) Whether the system is being well‑managed in the present and for long‑term sustainability;

((~~(ix)~~)) (x) Achieving equitable distribution of funds by geography and population;

((~~(x)~~)) (xi) The extent to which the project meets the following state policy objectives:

(A) Efficient use of state resources;

(B) Preservation and enhancement of health and safety;

(C) Abatement of pollution and protection of the environment;

(D) Creation of new, family-wage jobs, and avoidance of shifting existing jobs from one Washington state community to another;

(E) Fostering economic development consistent with chapter 36.70A RCW;

(F) Efficiency in delivery of goods and services and transportation; and

(G) Reduction of the overall cost of public infrastructure;

((~~(xi)~~)) (xii) Whether the applicant sought or is seeking funding for the project from other sources; and

((~~(xii)~~)) (xiii) Other criteria that the board considers necessary to achieve the purposes of this chapter.

(b) Before September 1, 2018, and each year thereafter, the board must develop and submit a report regarding the construction loans and grants to the office of financial management and appropriate fiscal committees of the senate and house of representatives. The report must include:

(i) The total number of applications and amount of funding requested for public works projects;

(ii) A list and description of projects approved in the preceding fiscal year with project scores against the board's prioritization criteria;

(iii) The total amount of loan and grants disbursements made from the public works assistance account in the preceding fiscal year;

(iv) The total amount of loan repayments in the preceding fiscal year for outstanding loans from the public works assistance account;

(v) The total amount of loan repayments due for outstanding loans for each fiscal year over the following ten-year period; and

(vi) The total amount of funds obligated and timing of when the funds were obligated in the preceding fiscal year.

(c) The maximum amount of funding that the board may provide for any jurisdiction is ten million dollars per biennium.

(5) Existing debt or financial obligations of local governments may not be refinanced under this chapter. Each local government applicant must provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.

(6) Before September 1st of each year, the board must develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans and grants made under RCW 43.155.065 and 43.155.068.

(7) The board may not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds to the board for the purpose of funding public works projects under this chapter.

(8) To qualify for loans, grants, or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70A.205 RCW.

(9) After January 1, 2010, any project designed to address the effects of stormwater or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

(10) For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its public works assistance account program loan or grant.

(11) The board must implement policies and procedures designed to maximize local government consideration of other funds to finance local infrastructure.

NEW SECTION. **Sec.**  This act may be known and cited as the affordable housing action act.

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