
SECOND SUBSTITUTE HOUSE BILL 1859

State of Washington

69th Legislature

2026 Regular Session

By House Finance (originally sponsored by Representatives Salahuddin, Peterson, Doglio, Parshley, Dufault, Leavitt, Reed, Gregerson, Nance, Street, Obras, Ormsby, Hill, Timmons, Duerr, and Callan)

READ FIRST TIME 02/03/26.

1 AN ACT Relating to expanding opportunities for affordable housing
2 developments on properties owned by religious organizations; and
3 amending RCW 35.63.280, 35A.63.300, and 36.70A.545.

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

5 **Sec. 1.** RCW 35.63.280 and 2019 c 218 s 1 are each amended to
6 read as follows:

7 (1) A city planning under this chapter must allow an increased
8 density bonus consistent with local needs for any affordable housing
9 development of any single-family or multifamily residence located on
10 real property owned or controlled by a religious organization
11 provided that:

12 (a) ~~((The))~~ (i) At least 50 percent of the affordable housing
13 development is set aside for or occupied exclusively by low-income
14 households; or

15 (ii) At least 20 percent of the affordable housing development is
16 set aside for or occupied exclusively by very low-income households;

17 (b) The affordable housing development is part of a lease or
18 other binding obligation that requires ~~((the development to be used~~
19 ~~exclusively for affordable housing purposes))~~ the affordability
20 requirements and other conditions in this subsection (1) to be

1 maintained for at least (~~(fifty)~~) 50 years, even if the religious
2 organization no longer owns the property; and

3 (c) The affordable housing development does not discriminate
4 against any person who qualifies as a member of a low-income
5 household based on race, creed, color, national origin, sex, veteran
6 or military status, sexual orientation, or mental or physical
7 disability; or otherwise act in violation of the federal fair housing
8 amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

9 (2) A city (~~(may)~~) must develop policies to implement this
10 section if it receives a request from a religious organization for an
11 increased density bonus for an affordable housing development. A city
12 may establish policies to require an affordable housing development
13 to set aside more residential dwelling units for low-income or very
14 low-income households than is required under subsection (1) of this
15 section to qualify for the increased density bonus.

16 (3) The religious organization or an entity leasing the property
17 for the purpose of developing the affordable housing development must
18 pay all fees, mitigation costs, and other charges required through
19 the development of the affordable housing development.

20 (4) If applicable, the religious organization developing the
21 affordable housing development should work with the local transit
22 agency to ensure appropriate transit services are provided to the
23 affordable housing development.

24 (5) This section applies to any religious organization
25 rehabilitating an existing affordable housing development.

26 (6) For purposes of this section:

27 (a) "Affordable housing development" means a proposed or existing
28 structure in which (~~(one hundred)~~) 50 percent of all single-family or
29 multifamily residential dwelling units within the development are set
30 aside for or are occupied by low-income households (~~(at a sales price~~
31 ~~or rent amount that may not exceed thirty percent of the income limit~~
32 ~~for the low-income housing unit)) or 20 percent of all single-family
33 or multifamily residential dwelling units within the development are
34 set aside for or occupied by very low-income households, whose
35 monthly housing costs, including utilities other than telephone, do
36 not exceed 30 percent of the household's monthly income;~~

37 (b) "Low-income household" means a single person, family, or
38 unrelated persons living together whose adjusted income is (~~(less~~
39 ~~than eighty)~~) at or below 80 percent of the median family income,
40 adjusted for household size, for the county where the affordable

1 housing development is located, as reported by the United States
2 department of housing and urban development; ((and))

3 (c) "Religious organization" has the same meaning as in RCW
4 35.21.915; and

5 (d) "Very low-income household" means a single person, family, or
6 unrelated persons living together whose adjusted income is at or
7 below 50 percent of the median family income, adjusted for household
8 size, for the county where the affordable housing development is
9 located, as reported by the United States department of housing and
10 urban development.

11 **Sec. 2.** RCW 35A.63.300 and 2019 c 218 s 2 are each amended to
12 read as follows:

13 (1) A city planning under this chapter must allow an increased
14 density bonus consistent with local needs for any affordable housing
15 development of any single-family or multifamily residence located on
16 real property owned or controlled by a religious organization
17 provided that:

18 (a) ~~((The))~~ (i) At least 50 percent of the affordable housing
19 development is set aside for or occupied exclusively by low-income
20 households; or

21 (ii) At least 20 percent of the affordable housing development is
22 set aside for or occupied exclusively by very low-income households;

23 (b) The affordable housing development is part of a lease or
24 other binding obligation that requires ~~((the development to be used~~
25 ~~exclusively for affordable housing purposes))~~ the affordability
26 requirements and other conditions in this subsection (1) to be
27 maintained for at least ~~((fifty))~~ 50 years, even if the religious
28 organization no longer owns the property; and

29 (c) The affordable housing development does not discriminate
30 against any person who qualifies as a member of a low-income
31 household based on race, creed, color, national origin, sex, veteran
32 or military status, sexual orientation, or mental or physical
33 disability; or otherwise act in violation of the federal fair housing
34 amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

35 (2) A city ~~((may))~~ must develop policies to implement this
36 section if it receives a request from a religious organization for an
37 increased density bonus for an affordable housing development. A city
38 may establish policies to require an affordable housing development
39 to set aside more residential dwelling units for low-income or very

1 low-income households than is required under subsection (1) of this
2 section to qualify for the increased density bonus.

3 (3) The religious organization or an entity leasing the property
4 for the purpose of developing the affordable housing development must
5 pay all fees, mitigation costs, and other charges required through
6 the development of the affordable housing development.

7 (4) If applicable, the religious organization developing the
8 affordable housing development should work with the local transit
9 agency to ensure appropriate transit services are provided to the
10 affordable housing development.

11 (5) This section applies to any religious organization
12 rehabilitating an existing affordable housing development.

13 (6) For purposes of this section:

14 (a) "Affordable housing development" means a proposed or existing
15 structure in which (~~one hundred~~) 50 percent of all single-family or
16 multifamily residential dwelling units within the development are set
17 aside for or are occupied by low-income households (~~at a sales price~~
18 ~~or rent amount that may not exceed thirty percent of the income limit~~
19 ~~for the low-income housing unit~~) or 20 percent of all single-family
20 or multifamily residential dwelling units within the development are
21 set aside for or occupied by very low-income households, whose
22 monthly housing costs, including utilities other than telephone, do
23 not exceed 30 percent of the household's monthly income;

24 (b) "Low-income household" means a single person, family, or
25 unrelated persons living together whose adjusted income is (~~less~~
26 ~~than eighty~~) at or below 80 percent of the median family income,
27 adjusted for household size, for the county where the affordable
28 housing development is located, as reported by the United States
29 department of housing and urban development; (~~and~~)

30 (c) "Religious organization" has the same meaning as in RCW
31 35A.21.360; and

32 (d) "Very low-income household" means a single person, family, or
33 unrelated persons living together whose adjusted income is at or
34 below 50 percent of the median family income, adjusted for household
35 size, for the county where the affordable housing development is
36 located, as reported by the United States department of housing and
37 urban development.

38 **Sec. 3.** RCW 36.70A.545 and 2019 c 218 s 3 are each amended to
39 read as follows:

1 (1) Any city or county fully planning under this chapter must
2 allow an increased density bonus consistent with local needs for any
3 affordable housing development of any single-family or multifamily
4 residence located on real property owned or controlled by a religious
5 organization provided that:

6 (a) ~~((The))~~ (i) At least 50 percent of the affordable housing
7 development is set aside for or occupied exclusively by low-income
8 households; or

9 (ii) At least 20 percent of the affordable housing development is
10 set aside for or occupied exclusively by very low-income households;

11 (b) The affordable housing development is part of a lease or
12 other binding obligation that requires ~~((the development to be used~~
13 ~~exclusively for affordable housing purposes))~~ the affordability
14 requirements and other conditions in this subsection (1) to be
15 maintained for at least ~~((fifty))~~ 50 years, even if the religious
16 organization no longer owns the property; and

17 (c) The affordable housing development does not discriminate
18 against any person who qualifies as a member of a low-income
19 household based on race, creed, color, national origin, sex, veteran
20 or military status, sexual orientation, or mental or physical
21 disability; or otherwise act in violation of the federal fair housing
22 amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

23 (2) A city or county ~~((may))~~ must develop policies to implement
24 this section if it receives a request from a religious organization
25 for an increased density bonus for an affordable housing development.
26 A city or county may establish policies to require an affordable
27 housing development to set aside more residential dwelling units for
28 low-income or very low-income households than is required under
29 subsection (1) of this section to qualify for the increased density
30 bonus.

31 (3) An affordable housing development created by a religious
32 institution within a city or county fully planning under RCW
33 36.70A.040 must be located within an urban growth area as defined in
34 RCW 36.70A.110.

35 (4) The religious organization or an entity leasing the property
36 for the purpose of developing the affordable housing development must
37 pay all fees, mitigation costs, and other charges required through
38 the development of the affordable housing development.

39 (5) If applicable, the religious organization developing the
40 affordable housing development should work with the local transit

1 agency to ensure appropriate transit services are provided to the
2 affordable housing development.

3 (6) This section applies to any religious organization
4 rehabilitating an existing affordable housing development.

5 (7) For purposes of this section:

6 (a) "Affordable housing development" means a proposed or existing
7 structure in which (~~one hundred~~) 50 percent of all single-family or
8 multifamily residential dwelling units within the development are set
9 aside for or are occupied by low-income households (~~at a sales price~~
10 ~~or rent amount that may not exceed thirty percent of the income limit~~
11 ~~for the low-income housing unit~~) or 20 percent of all single-family
12 or multifamily residential dwelling units within the development are
13 set aside for or occupied by very low-income households, whose
14 monthly housing costs, including utilities other than telephone, do
15 not exceed 30 percent of the household's monthly income;

16 (b) "Low-income household" means a single person, family, or
17 unrelated persons living together whose adjusted income is (~~less~~
18 ~~than eighty~~) at or below 80 percent of the median family income,
19 adjusted for household size, for the county where the affordable
20 housing development is located, as reported by the United States
21 department of housing and urban development; (~~and~~)

22 (c) "Religious organization" has the same meaning as in RCW
23 36.01.290; and

24 (d) "Very low-income household" means a single person, family, or
25 unrelated persons living together whose adjusted income is at or
26 below 50 percent of the median family income, adjusted for household
27 size, for the county where the affordable housing development is
28 located, as reported by the United States department of housing and
29 urban development.

--- END ---