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**SUBSTITUTE SENATE BILL 6152**

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**State of Washington**

**68th Legislature**

**2024 Regular Session**

**By** Senate Local Government, Land Use & Tribal Affairs (originally sponsored by Senators Cleveland, Shewmake, Rivers, Frame, Salomon, Trudeau, Nguyen, Keiser, Lias, Pedersen, Kuderer, Nobles, Saldaña, and Valdez)

1 AN ACT Relating to requiring certain counties to measure the gap  
2 between estimated existing housing units and existing housing needs  
3 to meet local housing demands; amending RCW 36.70A.610 and  
4 43.155.070; and creating a new section.

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

6 **Sec. 1.** RCW 36.70A.610 and 2020 c 173 s 6 are each amended to  
7 read as follows:

8 (1) The Washington center for real estate research at the  
9 University of Washington shall produce a series of reports as  
10 described in this section that compiles housing supply and  
11 affordability metrics for each city planning under RCW 36.70A.040  
12 with a population of ten thousand or more.

13 (a) The initial report, completed by October 15, 2020, must be a  
14 compilation of objective criteria relating to income, employment,  
15 housing and rental prices, housing affordability by housing tenure,  
16 and other metrics relevant to assessing housing supply and  
17 affordability for all income segments, including the percentage of  
18 cost-burdened households of each jurisdiction. This report may also  
19 include city-specific median income data for those cities  
20 implementing the multifamily tax exemption program under chapter  
21 84.14 RCW.

1 (b) The report completed by October 15, 2021, must include an  
2 analysis of the private rental housing market for each area outlining  
3 the number of units, vacancy rates, and rents by unit type, where  
4 possible. This analysis should separate market rate multifamily  
5 rental housing developments and other smaller scale market rate  
6 rental housing. This analysis should also incorporate data from the  
7 Washington state housing finance commission on subsidized rental  
8 housing in the area consistent with the first report under this  
9 subsection.

10 (c) The report completed by October 15, 2022, must also include  
11 data relating to actions taken by cities under chapter 348, Laws of  
12 2019 as well as detailed information on development regulations,  
13 levies and fees, and zoning related to housing development.

14 (d) The report completed by October 15, 2024, and every two years  
15 thereafter, must also include relevant data relating to buildable  
16 lands reports prepared under RCW 36.70A.215, where applicable, and  
17 updates to comprehensive plans under this chapter.

18 (e) The report completed by October 15, 2026, and every two years  
19 thereafter, must also include:

20 (i) An analysis of the estimated existing housing units and  
21 existing housing needs within each county at the following income  
22 levels: 0-30 percent of the area median income, 30-50 percent of the  
23 area median income, 50-80 percent of the area median income, 80-100  
24 percent of the area median income, 100-120 percent of the area median  
25 income, and greater than 120 percent of the area median income;

26 (ii) Each county's progress in closing the gap between estimated  
27 existing housing units within the county and existing housing needs;  
28 and

29 (iii) Each county's progress in meeting emergency housing,  
30 emergency shelters, and permanent supportive housing needs within the  
31 county.

32 (2) The Washington center for real estate research shall  
33 collaborate with the Washington housing finance commission and the  
34 office of financial management to develop the metrics compiled in the  
35 series of reports under this section.

36 (3) The series of reports under this section must be submitted,  
37 consistent with RCW 43.01.036, to the standing committees of the  
38 legislature with jurisdiction over housing issues and this chapter.

1       **Sec. 2.** RCW 43.155.070 and 2021 c 65 s 49 are each amended to  
2 read as follows:

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

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

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

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

13       (2) Except where necessary to address a public health need or  
14 substantial environmental degradation, a county, city, or town  
15 planning under RCW 36.70A.040 may not receive financial assistance  
16 under this chapter unless it has adopted a comprehensive plan,  
17 including a capital facilities plan element, and development  
18 regulations as required by RCW 36.70A.040. This subsection does not  
19 require any county, city, or town planning under RCW 36.70A.040 to  
20 adopt a comprehensive plan or development regulations before  
21 requesting or receiving financial assistance under this chapter if  
22 such request is made before the expiration of the time periods  
23 specified in RCW 36.70A.040. A county, city, or town planning under  
24 RCW 36.70A.040 that has not adopted a comprehensive plan and  
25 development regulations within the time periods specified in RCW  
26 36.70A.040 may apply for and receive financial assistance under this  
27 chapter if the comprehensive plan and development regulations are  
28 adopted as required by RCW 36.70A.040 before executing a contractual  
29 agreement for financial assistance with the board.

30       (3) In considering awarding financial assistance for public  
31 facilities to special districts requesting funding for a proposed  
32 facility located in a county, city, or town planning under RCW  
33 36.70A.040, the board must consider whether the county, city, or town  
34 planning under RCW 36.70A.040 in whose planning jurisdiction the  
35 proposed facility is located has adopted a comprehensive plan and  
36 development regulations as required by RCW 36.70A.040.

37       (4) (a) The board must develop a process to prioritize  
38 applications and funding of loans and grants for public works  
39 projects submitted by local governments. The board must consider, at

1 a minimum and in any order, the following factors in prioritizing  
2 projects:

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

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

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

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

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

12 (vi) Whether the project consolidates or regionalizes systems;

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

16 (viii) Whether the project encourages infill development or any  
17 other increase in affordable housing units. For purposes of this  
18 subsection (4)(a)(viii), "affordable housing" has the same meaning as  
19 in RCW 36.70A.030;

20 ~~(ix)~~ Whether the system is being well-managed in the present and  
21 for long-term sustainability;

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

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

26 (A) Efficient use of state resources;

27 (B) Preservation and enhancement of health and safety;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (9) After January 1, 2010, any project designed to address the  
2 effects of stormwater or wastewater on Puget Sound may be funded  
3 under this section only if the project is not in conflict with the  
4 action agenda developed by the Puget Sound partnership under RCW  
5 90.71.310.

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

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

16 NEW SECTION. **Sec. 3.** This act may be known and cited as the  
17 affordable housing action act.

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