



WASHINGTON LOW INCOME
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Welcome To The Webinar

We will begin the webinar shortly. Please note the following:

1. There are two ways to hear today's webinar. You can use the audio on your computer, or you can dial the following phone number: (562) 247-8422, access code 605-363-275.
2. All callers are muted.
3. For questions, you can use the webinar control panel "questions" section, or you can email teresac@housingactionfund.org during the webinar.
4. The webinar will be recorded and will be posted at wliha.org. We will email all registrants the link some time after the webinar is conducted.



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Interim Advocacy on Document Recording Fees and the Housing Trust Fund

Thursday, June 16, 12:00 PM – 1:00 PM

Presenters:

Michele Thomas, Director of Policy and Advocacy,
Washington Low Income Housing Alliance

Kate Baber, Homelessness Policy and Advocacy Specialist,
Washington Low Income Housing Alliance



Welcome

In the next 60 minutes we will cover:

- An overview of the legislative session and interim.
- An overview of Document Recording Fees and the Housing Trust Fund.
- Review what you can do now during the legislative interim (period between legislative sessions) to educate your lawmakers so they are able to make smart policy decisions during the 2017 legislative session.

Please feel free to ask questions by using the “questions” section of the webinar control panel or emailing teresac@housingactionfund.org.

We will pause several times for Q & A.



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Part I: Overview of Legislative Process



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Washington State Legislative Session

- Period of time when state lawmakers convene at the State Capitol in Olympia to create a state budget and pass legislation.
- During odd years (2015, 2017), legislature meets for a 105-day legislative session to create two-year state operating, capital, and transportation budgets.
- During even years (2014, 2016), legislature meets for just 60 days to pass smaller supplemental budgets.
- All legislative sessions begin on second Monday of January (January 9, 2017).

Washington State Legislative Interim

- Period between legislative sessions when lawmakers are back in their home legislative districts.



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Part II: Document Recording Fees



History of Document Recording Fees

Overview of Washington State Document Recording Fees

RCW	Year	Bill	Amount	Total Fee	Description
RCW 36.22.178	2002	HB 2060	\$10 fee	\$10	Affordable Housing for All surcharge created \$10 fee to be used to provide housing and shelter, operations and maintenance for affordable housing programs serving extremely low-income people and related programs. Funds are split with 40% going to the state and 60% to local government.
RCW 36.22.179 and RCW 43.185C	2005	HB 2163	\$10 fee	\$20	Homelessness Housing and Assistance Act passes \$10 fee to support activities related to creating and implementing state and local plans to end homelessness with goal of reducing homelessness by 50% by 2015. Funds are split with 40% going to the state and 60% to local government.
RCW 36.22.1791	2007	HB 1359	\$8 fee	\$28	Addition of \$8 fee \$8 fee to support ongoing work to prevent and end homelessness and implement plans. Funds are split with 10% going to the state and 90% going to local government.
RCW 36.22.179	2009	HB 2331	Amends HB2163 from \$10 to \$30 fee	\$48	Homelessness Housing and Assistance Act surcharge increased to \$30, with expiration date of 6/2013
RCW 36.22.179	2012	HB 2048	Additional \$10 fee	\$58	Homelessness Housing and Assistance Act surcharge increased by \$10, to total \$40, with \$10 sunset for review on 6/2015 and \$20 sunset on 6/2017.
RCW 36.22.179	2014	SB 5875	Extended sunset date	\$58	\$30 of the Homelessness Housing and Assistance Act surcharge will sunset on 6/2019.



What's the big deal?

Document recording fees are the major fund source for all state and local homelessness services including:

- Domestic violence shelters,
- Youth and young adult shelters and outreach services,
- Short-term and longer-term rental assistance (Rapid Rehousing),
- Move-in assistance (deposits, tenant screening fees),
- Permanent Supportive Housing Services,
- And more.



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What's the big deal?

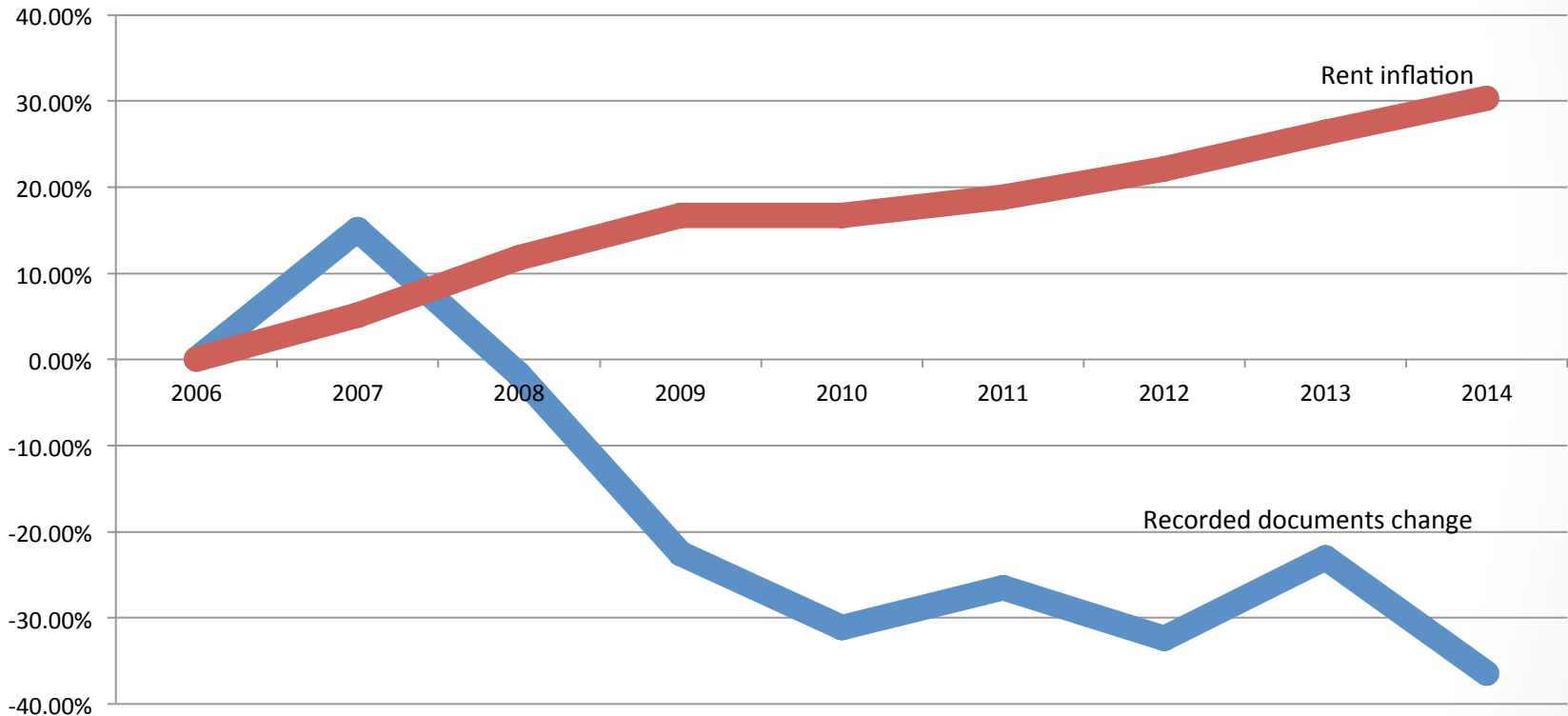
County	Loss of Funds
Whatcom County	-\$2,111,587
Spokane County	-\$4,414,446
King County	-\$20,942,990
Clark County	-\$5,129,555
Yakima County	-\$1,557,048
Snohomish County	-\$7,997,686
Walla Walla County	-\$487,659
Grays Harbor County	-\$698,480
Skagit County	-\$1,335,099
Pierce County	-\$8,363,843
State Total	-\$70,474,556

What's the big deal?

County	People impacted each year by loss of funds	2016 Point in Time, people unsheltered
Spokane County	1,413	981
King County	6,704	4,505
Clark County	1,642	231
Snohomish County	2,560	481
Pierce County	2,677	1,762



Even without cliff, fee isn't keeping up



Recording fee does not match housing rent inflation

Why 2017?

- Legislation may take more than one year.
- Contracts are set with each county in July based on the officially forecasted projections of revenue from the fee.
- The state cannot contract with the counties for services that may not have a funding source. Funding projections must be based on current law.
- Counties need more than a year to both develop quality updated plans, and solicit/review/contract for services to implement updated plans.
- Funding uncertainty impedes local commitments to investing in improved plans. Last minute funding precludes meaningful planning and true performance contracting.



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Campaign Goals



- Eliminate the sunset,
- Increase the fee,
- Eliminate the 45% set-aside,
- Streamline audits required by Commerce.



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Questions?



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Part III: Housing Trust Fund



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What is the Housing Trust Fund?



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What is the Housing Trust Fund?

- The legislature created the Housing Trust Fund in 1986.
- First investment was in 1989.
- It isn't really a "trust fund" as no significant funding stream has been dedicated to it. Instead, the legislature has voted each year to allocate Capital dollars for it.



Statutory & Department Regulations

- Chapter 43.185 and chapter 43.185A.
- HTF funds are restricted to nonprofits, public housing authorities, local governments, and federally recognized tribes.
- 30% of funds in any given funding cycle must be targeted for rural projects and Commerce must consider overall geographic distribution when awarding funds.¹
- Homes must remain affordable for at least 40 years.²

1.RCWS 43.185.050 and RCW 43.185.070.

2.Enforced by a covenant on the land.



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Who is Served by the Housing Trust Fund?



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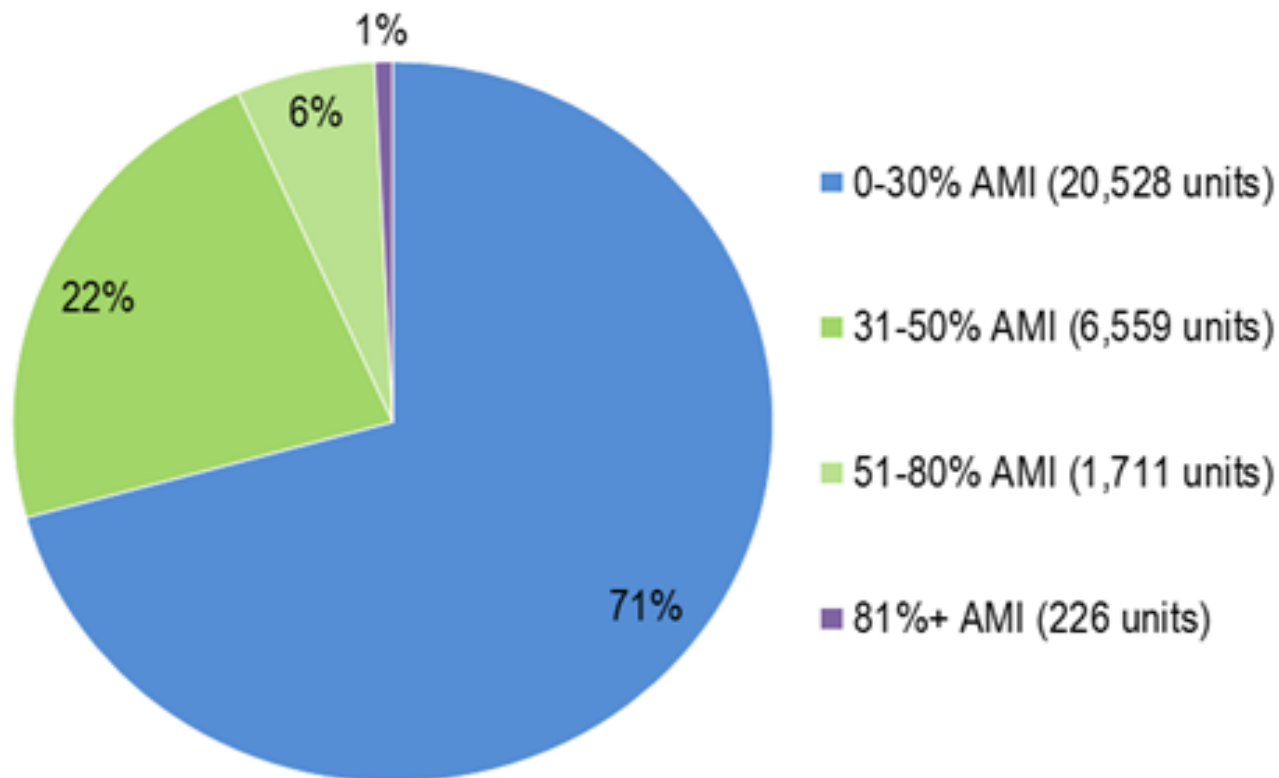
Who is Served by the Housing Trust Fund?

- People with developmental or physical disabilities
- Farmworkers
- Veterans
- Seniors
- Young adults
- People with mental illness
- Families and individuals experiencing homelessness
- Low and moderate income workers
- First time homebuyers
- And more.



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Who is Served by the Housing Trust Fund?



The overwhelming bulk of Housing Trust Fund dollars support homes for those with the lowest incomes, over 70% are extremely low income.

Slide Source: Washington State Department of Commerce.



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The Need



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The Need

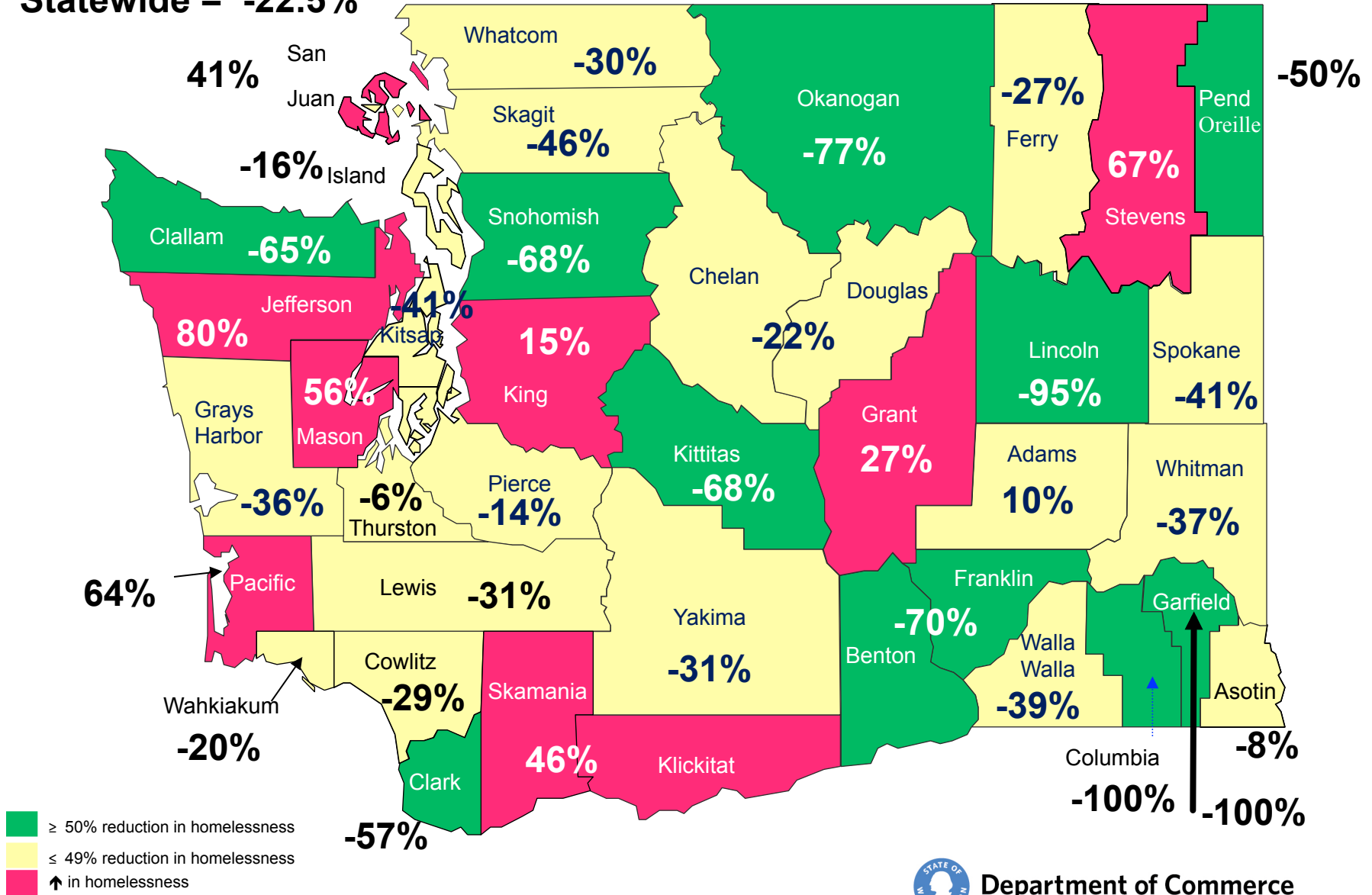
- Nearly 3 in 4 renters in Washington at or below 30% AMI are severely rent burdened¹.
- 1 in 3 renters in Washington between 30% and 50% AMI are severely rent burdened¹.
- The Point In Time Count in January 2016 counted 20,844 people experiencing homelessness that night, across the state; 8,474 were unsheltered².

1) NLIHC “Out of Reach” report.

2) Washington State Department of Commerce

Change in Homelessness Prevalence 2006 - 2015

Statewide = -22.5%



Affordability is a problem statewide



Every \$100 increase in rent is associated with:

- 6% increase in homelessness in metro areas
- 32% increase in homelessness in non-metro areas

Source: Journal of Urban Affairs, *New Perspectives on Community-Level Determinants of Homelessness*, 2012



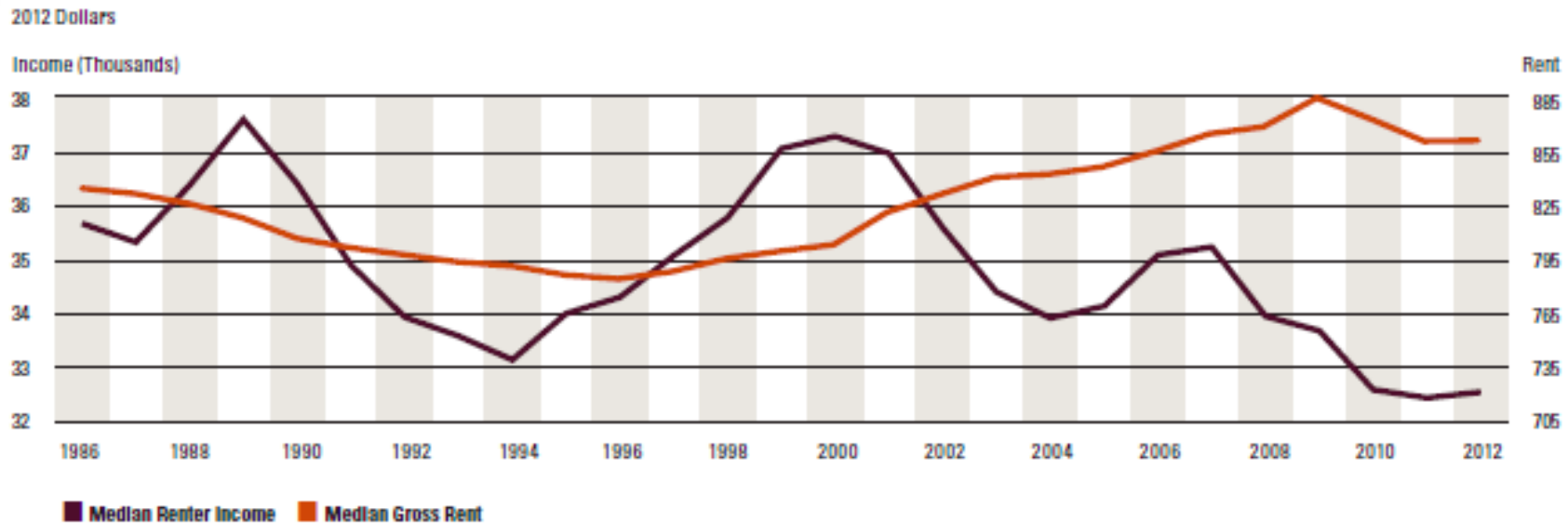
Affordability is a problem statewide





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Declining Incomes and Rising Rents Continue to Erode Affordability



“America’s Rental Housing,” a report from the Joint Center for Housing Studies of Harvard University



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Students of color experience much higher rates of homelessness than white students.

Homeless Students by Subgroup	Percent of these students who are Homeless
Asian	0.7
American Indian/Alaska Native	7.6
Black/African American	7.6
Hispanic/Latino	4.1
Native Hawaiian/Pacific Islander	6.6
White	2.3



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Unaffordable Housing Leads to Spending Less on Other Needs

Monthly Spending by those in the lowest income quartile (based on expenditures):

Without Affordable Housing		With Affordable Housing	
Food:	\$217	Food:	\$350
Transportation:	\$55	Transportation:	\$158
Retirement:	\$38	Retirement:	\$76

“America’s Rental Housing,” a report from the Joint Center for Housing Studies of Harvard University



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Affordable Housing Works

Living in these apartments has helped me by feeling motivated and knowing anything is possible. You guys have helped me a lot by giving me information about different opportunities of how to be successful and to attend college. Living here is also comfortable because we collaborate as a family with celebrations at holidays.

It is also good because I live close to my school in which I can participate in different activities. Living here is wonderful. We, the Hispanic people, have a better place to live. Thank you.

– Heidi Rodriguez, resident at Blessed Kateri Village, Wapato,
January 2014



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**Over 40,000 Safe, Healthy, Affordable
Homes Built or Preserved**



**Sor Juan Ines Court in Yakima, serving farmworkers and their families.
By Catholic Charities Housing Services of Yakima.**



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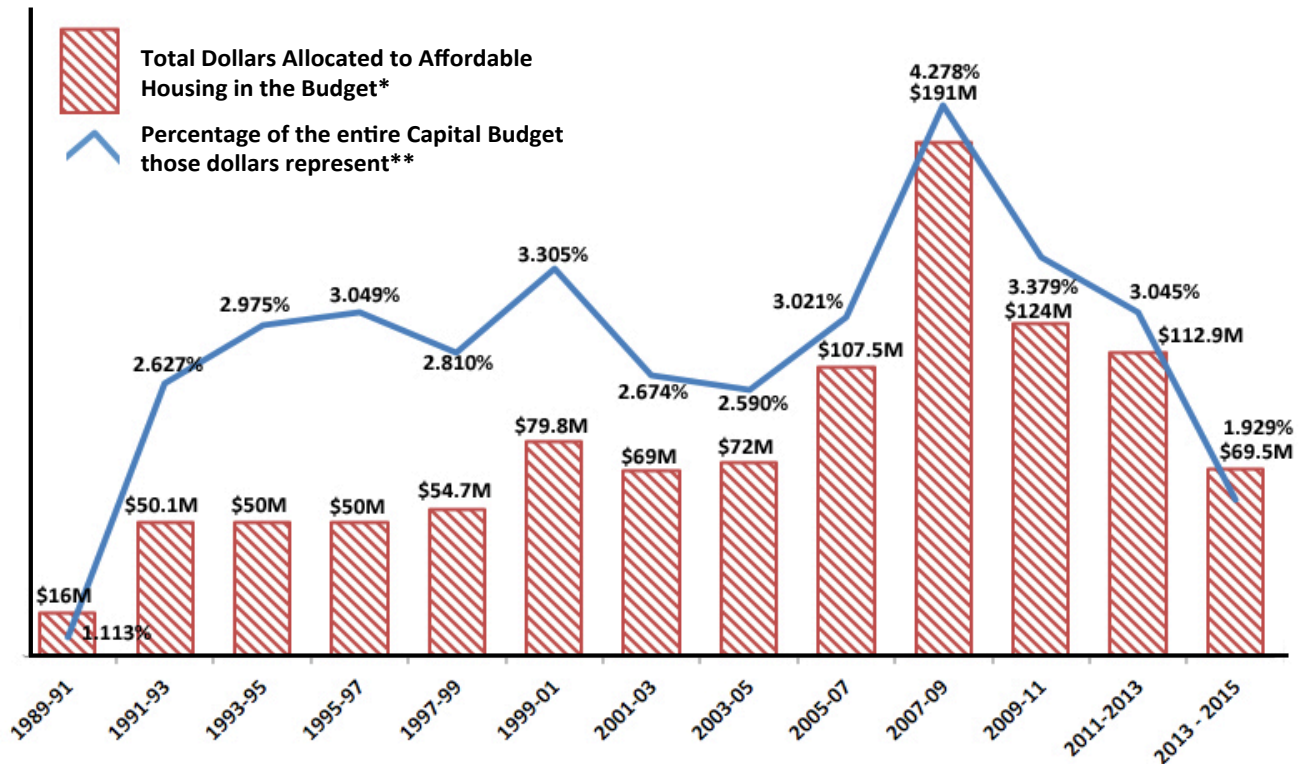
Historic Allocations To The Housing Trust Fund



During the last decade (2003 - 13), the Housing Trust Fund averaged **3.644%** of the total Capital Budget



In this year's budget (2013), the Housing Trust Fund was only **1.929%** of the total Capital Budget.



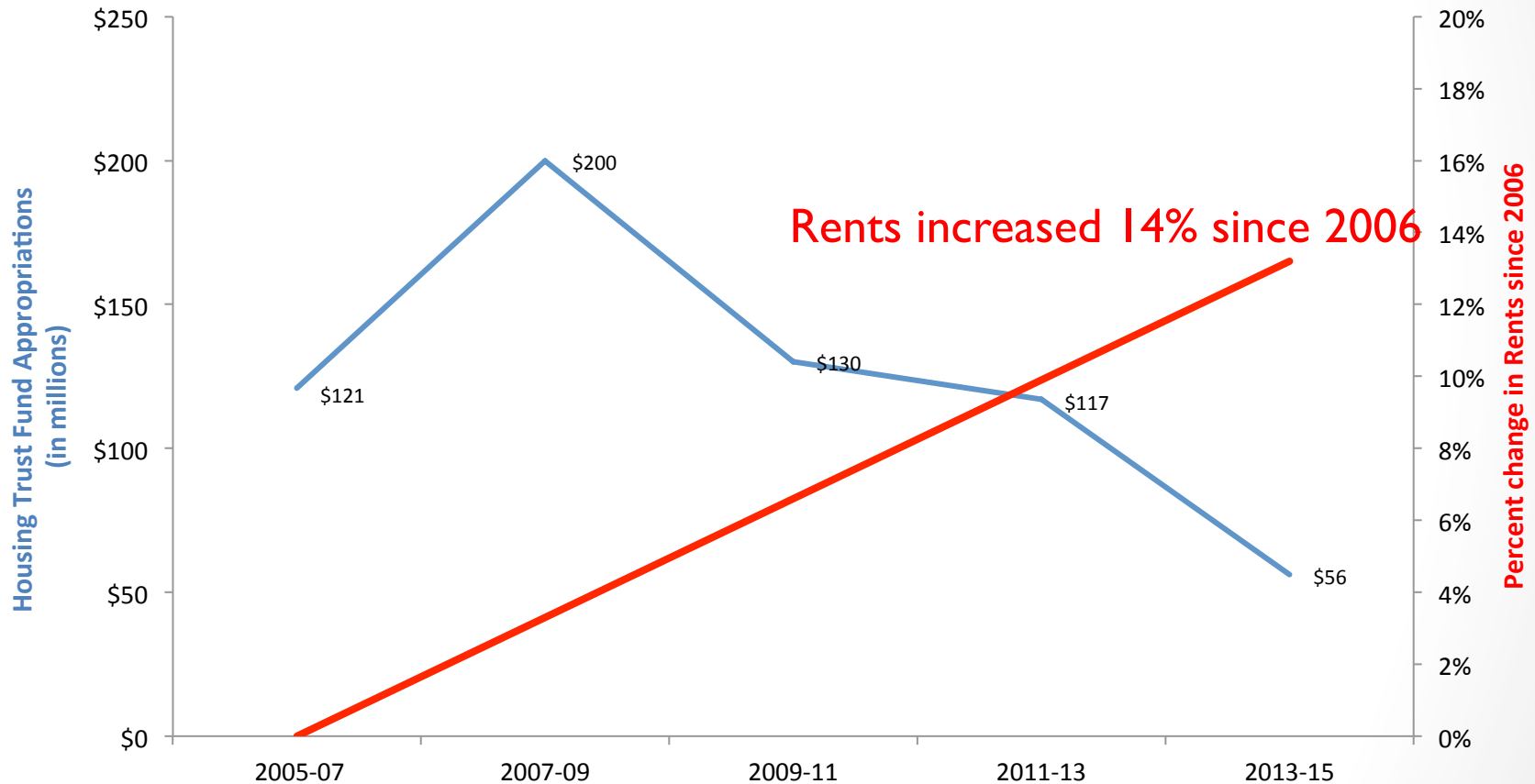
* These are the raw (unadjusted for inflation) sums of all of the dollars invested in the Housing Trust Fund for each biennial period, excluding Weatherization/Energy Matchmakers allocations.

The percentages are calculated on a biennial basis by aggregating affordable housing expenditures and total budget
** expenditures for the the Capital Budget and any Supplemental Capital Budgets passed in that time period.



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HTF Funding Has Declined While Rent Has Increased



Slide Source: Department of Commerce.



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Campaign Goals



- Significant Housing Trust Fund allocation in the 2017-2019 Biennial Capital Budget



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Questions?



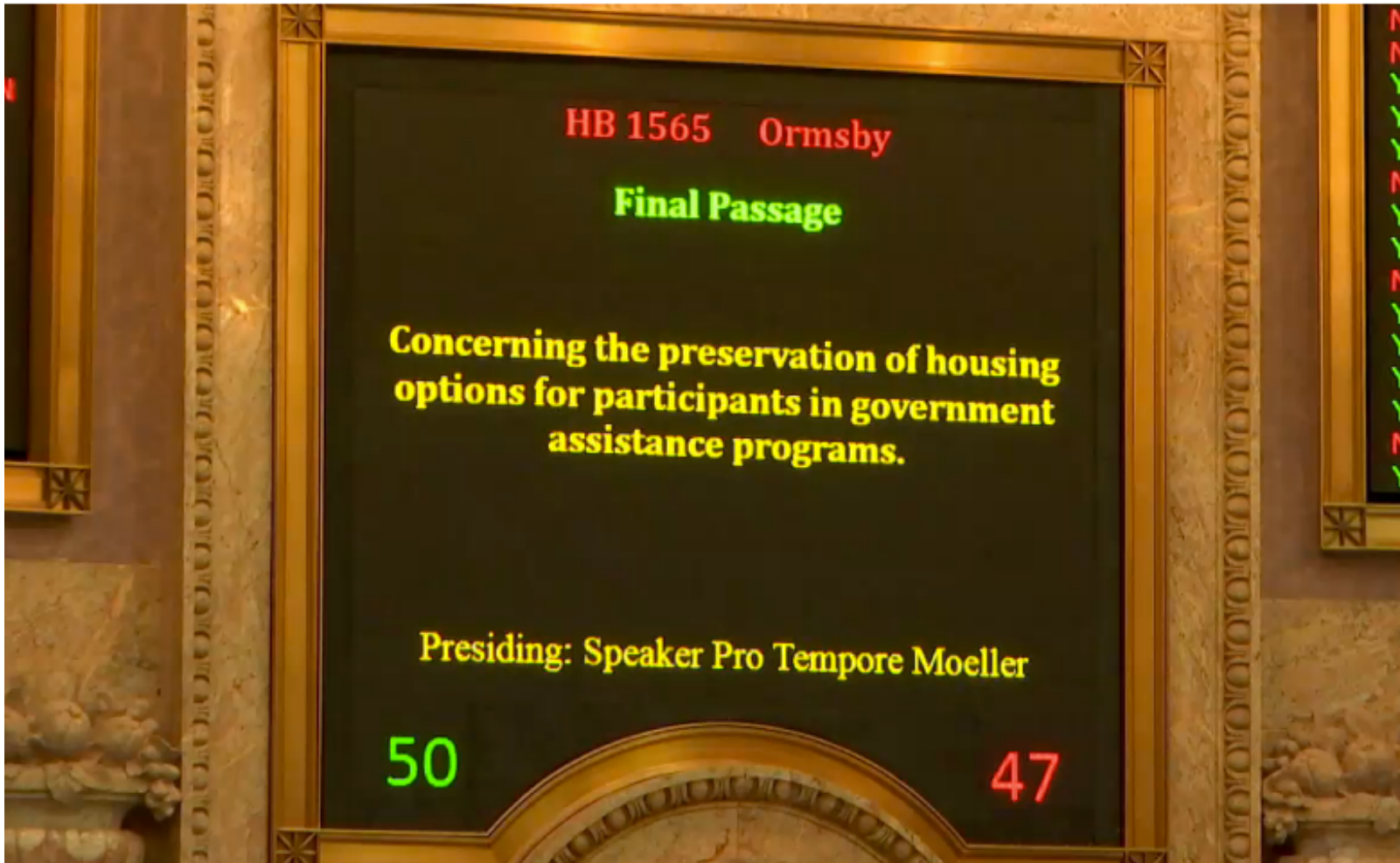
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Part IV: Interim Advocacy



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How We Win



Advocacy Checklist

- ✓ Educate your state and local lawmakers.
- ✓ Collect stories and share your own.
- ✓ Make it local.
- ✓ Ask local organizations, local leaders and faith communities to endorse the campaign.
- ✓ Use social media to educate and raise the urgency.
- ✓ Ask questions of candidates.
- ✓ What else can you do?



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How To Meet With A Lawmaker



Advocates meeting with Speaker Frank Chopp, 43rd LD, on Homelessness & Housing Advocacy Day



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Tips for Successful Meetings

- ✓ Include people with personal stories, board members and other community members.
- ✓ Expect a 30 to 60 minute meeting during legislative interim.
- ✓ Don't assume lawmaker has background information on issue and don't use acronyms.
- ✓ Be prepared for hard questions.
- ✓ Don't be afraid to say, "I don't know."
- ✓ Let the lawmaker speak – ask them to share their thoughts if needed.
- ✓ **Ask directly if they support the issue.**



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After the Lawmaker Meeting

- ✓ Send a thank you note and a copy of the picture you took,
- ✓ Follow up on any questions,
- ✓ Meet with their legislative assistant to also educate them,
- ✓ If lawmaker was undecided or not supportive, set up another meeting. Consider doing a tour of programs funded with the fees,
- ✓ Follow up again near beginning of 2017 session to check in.



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Questions?

Be Ready for the Rhetoric

Myth: There is enough money for services, it just needs to be used better.

Fact: The state made deep cuts to human services during the great recession and still has not made up for them.

Fact: The fees don't even keep up with inflation.

Fact: Homelessness is a growing problem and the state has a duty to provide safety net services.

Fact: Affordable housing and homelessness services are less expensive and more humane interventions than emergency rooms and jails.

Directly Tackle the Myths

Myth: People who are homeless in a community usually came from someplace else, and providing services only encourages more people who are homeless to migrate there.

Fact: Conditions in our own communities create and sustain homelessness. Offer an example from your own community.

Fact: Client records from All Home in King County show that 85–90% of people accessing services in King County became homeless in King County.

Fact: People experiencing homelessness who do move to new areas do so because they are searching for work, have family nearby or for other reasons not related to services—and are worthy of support regardless.

Directly Tackle the Myths

Myth: There are plenty of shelters and housing. People become homeless and remain homeless because they refuse to work.

Fact: In Washington, a worker must now earn at least 2 times the minimum wage to afford a 2-bedroom apartment. Even when low-wage workers can afford to pay for rent, they often cannot save enough to pay move-in costs, which traps them in time-limited transitional housing, or in outright homelessness.

Directly Tackle the Myths

Myth: Government policies to end homelessness are a waste of time.

Fact: Homelessness is a systemic failure. It is caused by economic and structural conditions like lack of affordable housing, high cost of living, low-wage jobs, lack of access to health care, and lack of mental health treatment & chemical dependency treatment services.

Fact: Public policy is the leading cause of homelessness. Building more affordable housing, raising the minimum wage, and providing access to health services are just a few of the remedies that require effective public policy and adequate funding.

Directly Tackle the Myths

Myth: The document recording fees are an unreliable source of funding, you should find a more stable one that doesn't decrease in bad economic times.

Fact: The fees are on some real estate documents. Real estate activity has a direct impact on access to homes.

Fact: The fees fund services that helped prevent and end homelessness even during the great recession.

Fact: All government revenues sources reduce during a recession, even the state's operating budget reduces because it is funded mainly by sales taxes that generate less revenue during a recession.

Directly Tackle the Myths

Myth: The fees discourage people from buying homes.

Fact: There is no evidence that the fees create a barrier to homeownership. The \$30 fee amounts to one dollar per year of a 30 year mortgage.



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Additional Advocacy Resources

Washington Low Income Housing Alliance

- www.wliha.org
- Kate Baber: kateb@wliha.org
- Michele Thomas: michele@wliha.org

Housing Alliance Action Fund

- www.housingactionfund.org
- Teresa Clark, teresac@housingactionfund.org

Nonprofit Lobbying Rules

- Alliance for Justice: www.afj.org
- Bolder Advocacy: www.afj.org/our-work/issues/bolder-advocacy