

Habitat for Humanity Spokane – 2026 Washington State Legislative Agenda



I. STATE BUDGET PRIORITIES

1. Housing Trust Fund (HTF) — 40% Allocation for Homeownership

Request: Dedicate **40% of the Housing Trust Fund allocation (~\$100M of \$250M)** to support affordable homeownership development.

Impact:

- Expands supply of starter homes across Washington.
- Supports construction subsidies, infrastructure, down-payment support, and shared-equity models.
- Directly benefits households earning **≤80% AMI** seeking generational wealth.

2. Create a Sales & Use Tax Remittance Program for Housing (HB 1717)

Request: Create sales/use tax remittance for nonprofit affordable home builders.

Impact:

- Reduces construction costs by **~8.9%**.
- Stretches public and philanthropic dollars.
- Increases the number of homes Habitat can deliver per biennium.

II. STATE POLICY & STATUTORY PRIORITIES

4. HB 1974 — Land Bank Creation and Expansion

Request: Support authorization and funding for local land banks, prioritizing affordable housing.

Impact:

- Creates a stable pipeline of buildable lots for affordable homeownership.
- Protects land from investor speculation that raises prices.
- Strengthens the jurisdiction's ability to address nuisance/vacant properties

5. HB 1859 — Developing Faith-Owned Land for Affordable Housing

Request: Support HB 1859 to expand affordable housing opportunities on property owned by religious organizations.

Impact:

HB 1859 strengthens and modernizes the state's existing faith-based housing tools by:

- Creating a sales tax exemption for affordable housing construction on faith-owned land.
- Providing a clear pathway for every county and city to adopt these provisions through their Comprehensive Plan process.
- Allowing mixed-income projects, with at least 50% of units serving households below 80% AMI, fully aligning with Habitat's homeownership mission.
- Enabling the housing developer, not the church, to cover fees and mitigation costs, reducing barriers for faith partners.

6. "Parking to People" / Redevelopment of Underutilized Land (Expanded Sales & Use Tax Incentive)

Request: Support expansion of the existing Pavement to People sales and use tax incentive program to encourage redevelopment of vacant, partially used, or underutilized land into affordable homeownership and rental housing.

Impact:

The proposal would modernize the incentive by **broadening the definition of eligible redevelopment sites**, allowing more Spokane and Spokane County parcels to qualify for tax relief that reduces total site-development costs. Specifically, the bill would define:

- **Vacant land** as property not lawfully occupied for 5+ years, posing health/safety risks, or containing improvements valued under \$10,000 unless actively used by an adjacent parcel.
- **Partially used land** as parcels with enough excess area to be subdivided for additional development without rezoning.
- **Underutilized land** as multifamily, mixed-use, commercial, or industrial parcels that could be redeveloped to a more intensive housing-supportive land use.