

# 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.