

# HOUSING

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**G**overnor Gregoire knows that the secure feeling that comes from having a place to call home is essential to creating a strong quality of life for all of our residents. The Governor believes that Washington families should be able to live close to good jobs and schools, in safe neighborhoods and in safe structures. Governor Gregoire's budget proposal will help people who are in need of affordable housing, fund successful programs that leverage private dollars for facilities and services to help

homeless families transition to stable permanent housing, and provide assistance to those who own a home but are in danger of foreclosure.

## **Governor Gregoire's Budget for Housing:**

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**Offers education and counseling to help homeowners.** In September 2007, Governor Gregoire formed the Task Force for Homeowner Security to evaluate instability in the national subprime mortgage market and ensure that the impact of this national trend is minimized in Washington. Based on the work of this group, the Governor and legislative leaders will propose funding for the Department of Financial Institutions to set up education and counseling services for families affected by the current mortgage crisis. (*\$1.5 million GF-State*)

**Adds protections for homeowners.** The Department of Financial Institutions is preparing legislation to implement more of the Task Force for Homeowner Security recommendations. These recommendations include establishing standards and borrower protections for nontraditional mortgage products and in the promotion of new procedures to be used during loan initiation and in case of borrower default. These new policies will further protect home buyers from unscrupulous lenders who may lead buyers into loans that are not in their best interests. (*no new funds*)

**Helps low- to moderate-income people purchase a home.** The Washington State Housing Finance Commission (WSHFC) helps low- and moderate-income home buyers purchase their first home through mortgage and down-payment assistance. Legislation will be introduced to increase WSHFC's debt limit from \$4.5 billion to \$6.5 billion so more projects can be funded. (*no new funds*)

**Expands the Housing Trust Fund.** Additional funding will be included for the Housing Trust Fund, which helps communities meet the housing needs of low-income and special needs populations through many different strategies. Up to \$10 million is earmarked for low-income housing for victims of the recent flood. Up to \$3 million will be available for short-term loans to purchase property for low-income housing. (*\$50 million Capital*)

**Expands the Washington Families Fund.** The Governor's budget will provide additional funding for the Washington Families Fund, which is a public-private partnership to expand affordable housing for homeless families in Washington. Services that are provided by the fund, such as job training, child care and domestic violence counseling, can make the difference between a successful transition to permanent housing and repeated episodes of homelessness. (*\$6.0 million GF-State*)