

Dept of Commerce \$40M Hotel & Motel Leasing

The 2021-23 state budget directs the Department of Commerce to use at least \$20 million of the revenue from the new \$100 recording fee to fund the use of hotels and motels to house people experiencing homelessness.

129(76)(b) \$133,152,000 of the home security fund—state appropriation

...Of the total amount provided in this subsection, at least \$20,000,000 must be used for hotel and motel vouchers, rapid rehousing, and supportive services for individuals and families accessing vouchers and rapid rehousing.

<http://lawfilesexternal.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5092-S.SL.pdf>

Commerce is proposing to make available a total of \$40 million for this purpose. Funds would be split proportionally based on the amount of recording fee revenue generated in each county during the last fiscal year. We are proposing awarding funds beyond the required \$20 million in order to maximize the potential of a relatively quick capacity expansion to aid in transition from the pandemic.

Funding would be available for expenses incurred July 1, 2021 through June 30, 2023 to pay for the leasing of hotel and motel rooms (whole buildings or individual rooms). Eligible expenses would include hotel/motel leasing costs; and associated operating, services and administrative costs. Funds could also be used to pay for the costs of short term rent assistance programs to move people out of the leased hotels/motels (i.e., rapid rehousing).

Eligible tenants would include anyone who is homeless (including those doubled-up with family and friends), and people discharging from institutions or public systems of care (such as foster care) with no readily available housing. All program components including documentation and eligible costs would be the same as in the Consolidated Homeless Grant (CHG).

In order to speed implementation during the transition out of the pandemic, initial required reporting would be limited to monthly reports on the number of units rented, and number of tenants served. HMIS reporting would be required from January 2022 forward.

Awards would be added as a single line-item to existing CHG contracts, after submission of a brief application that includes the number of units estimated to be rented each month and an estimated monthly spending plan. Applications will be accepted and approved on a rolling basis through December of 2021, with occupancy required by no later than January 2022.

All CHG lead grantee county governments would be offered funds.

All non CHG lead grantee county governments would be offered funds. If the county government opts out, the Department would grant the funds to the current nonprofit CHG lead grantee in the county. The Department will require that the county government affirm the current nonprofit CHG lead grantee's role in administering the funds.