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**SUBSTITUTE HOUSE BILL 2486**

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**State of Washington**

**52nd Legislature**

**1992 Regular Session**

**By** House Committee on Housing (originally sponsored by Representatives Leonard, Mitchell, Nelson, Ogden, Franklin, Winsley and Wineberry)

Read first time 01/24/92.

1       AN ACT Relating to the Washington housing finance commission; and  
2 amending RCW 43.180.300.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4       **Sec. 1.** RCW 43.180.300 and 1990 c 167 s 2 are each amended to read  
5 as follows:

6       As used in RCW 43.180.310 through 43.180.360, the following terms  
7 have the meanings indicated unless the context clearly requires  
8 otherwise.

9       (1) "Construction" or "construct" means construction and  
10 acquisition, whether by device, purchase, gift, lease, or otherwise.

11       (2) "Facilities" means land, rights in land, buildings, structures,  
12 equipment, landscaping, utilities, approaches, roadways and parking,  
13 handling and storage areas, and similar ancillary facilities.

1 (3) "Financing document" means a lease, sublease, installment sale  
2 agreement, conditional sale agreement, loan agreement, mortgage, deed  
3 of trust guaranty agreement, or other agreement for the purpose of  
4 providing funds to pay or secure debt service on revenue bonds.

5 (4) "Improvement" means reconstruction, remodeling, rehabilitation,  
6 extension, and enlargement. "To improve" means to reconstruct, to  
7 remodel, to rehabilitate, to extend, and to enlarge.

8 (5) "Nonprofit corporation" means a nonprofit corporation described  
9 under section 501(c)(3) of the Internal Revenue Code, or similar  
10 successor provisions.

11 (6) "Nonprofit facilities" means facilities owned or used by a  
12 nonprofit corporation for any nonprofit activity described under  
13 section 501(c)(3) of the Internal Revenue Code that qualifies such a  
14 corporation for an exemption from federal income taxes under section  
15 501(a) of the Internal Revenue Code, or similar successor provisions  
16 provided that facilities which may be funded pursuant to chapter  
17 28B.07, 35.82, 43.180, or 70.37 RCW, as determined by the relevant  
18 financing authorities authorized to act under such statutory provisions  
19 pursuant to their respective rules, shall not be included in this  
20 definition, except the following facilities, which are included in this  
21 definition: Facilities for persons with mental illness and/or  
22 developmental disabilities, which shall not include, in either case,  
23 hospital-based evaluation and treatment facilities.

24 (7) "Project costs" means costs of (a) acquisition, construction,  
25 and improvement of any facilities included in a nonprofit facility; (b)  
26 architectural, engineering, consulting, accounting, and legal costs  
27 related directly to the development, financing, and construction of a  
28 nonprofit facility, including costs of studies assessing the  
29 feasibility of a nonprofit facility; (c) finance costs, including  
30 discounts, if any, the costs of issuing revenue bonds, and costs

1 incurred in carrying out any trust agreement; (d) interest during  
2 construction and during the six months after estimated completion of  
3 construction, and capitalized debt service or repair and replacement or  
4 other appropriate reserves; (e) the refunding of any outstanding  
5 obligations incurred for any of the costs outlined in this subsection;  
6 and (f) other costs incidental to any of the costs listed in this  
7 section.

8 (8) "Revenue bond" means a taxable or tax-exempt nonrecourse  
9 revenue bond, nonrecourse revenue note, or other nonrecourse revenue  
10 obligation issued for the purpose of providing financing to a nonprofit  
11 corporation on an interim or permanent basis.

12 (9) "User" means one or more persons acting as lessee, purchaser,  
13 mortgagor, or borrower under a financing document and may include a  
14 party who transfers the right of use and occupancy to another party by  
15 lease, sublease, or otherwise.