
ENGROSSED SUBSTITUTE HOUSE BILL 1585

State of Washington

53rd Legislature

1993 Regular Session

By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Ogden, Long, Wolfe, Morris, Conway, Wineberry, Forner, Leonard, Valle, Pruitt and J. Kohl)

Read first time 02/24/93.

1 AN ACT Relating to housing policies and program coordination;
2 amending RCW 43.185.110 and 43.185A.020; adding a new chapter to Title
3 43 RCW; adding a new section to chapter 35.63 RCW; adding a new section
4 to chapter 35A.63 RCW; adding a new section to chapter 36.70A RCW; and
5 adding a new section to chapter 36.70 RCW.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

8 (a) Housing is of vital state-wide importance to the health,
9 safety, and welfare of the residents of the state;

10 (b) Safe, affordable housing is an essential factor in stabilizing
11 communities;

12 (c) Residents must have a choice of housing opportunities within
13 the community where they choose to live;

14 (d) Housing markets are linked to a healthy economy and can
15 contribute to the state's economy;

16 (e) Land supply is a major contributor to the cost of housing;

17 (f) Housing must be an integral component of any comprehensive
18 community and economic development strategy;

1 (g) State and local government must continue working cooperatively
2 toward the enhancement of increased housing units by reviewing,
3 updating, and removing conflicting regulatory language;

4 (h) State and local government should work together in developing
5 creative ways to reduce the shortage of housing;

6 (i) The lack of a coordinated state housing policy inhibits the
7 effective delivery of housing for some of the state's most vulnerable
8 citizens and those with limited incomes; and

9 (j) It is in the public interest to adopt a statement of housing
10 policy objectives.

11 (2) The legislature declares that the purposes of the Washington
12 housing policy act are to:

13 (a) Provide policy direction to the public and private sectors in
14 their attempt to meet the shelter needs of Washington residents;

15 (b) Reevaluate housing and housing-related programs and policies in
16 order to ensure proper coordination of those programs and policies to
17 meet the housing needs of Washington residents;

18 (c) Improve the delivery of state services and assistance to very
19 low-income and low-income households and special needs populations;

20 (d) Strengthen partnerships among all levels of government, and the
21 public and private sectors, including for-profit and nonprofit
22 organizations, in the production and operation of housing to targeted
23 populations including low-income and moderate-income households;

24 (e) Increase the supply of housing for persons with special needs;

25 (f) Encourage collaborative planning with social service providers;

26 (g) Encourage financial institutions to increase residential
27 mortgage lending; and

28 (h) Coordinate housing into comprehensive community and economic
29 development strategies at the state and local level.

30 NEW SECTION. **Sec. 2.** It is the goal of the state of Washington to
31 coordinate, encourage, and direct, when necessary, the efforts of the
32 public and private sectors of the state and to cooperate and
33 participate, when necessary, in the attainment of a decent home in a
34 healthy, safe environment for every resident of the state. The
35 legislature declares that attainment of that goal is a state priority.

36 NEW SECTION. **Sec. 3.** The objectives of the Washington housing
37 policy act shall be to attain the state's goal of a decent home in a

1 healthy, safe environment for every resident of the state by
2 strengthening public and private institutions that are able to:

3 (1) Develop an adequate and affordable supply of housing for all
4 economic segments of the population;

5 (2) Assist very low-income and special needs households who cannot
6 obtain affordable, safe, and adequate housing in the private market;

7 (3) Encourage and maintain home ownership opportunities;

8 (4) Reduce life cycle housing costs while preserving public health
9 and safety;

10 (5) Preserve the supply of existing affordable housing;

11 (6) Provide housing for special needs populations;

12 (7) Ensure fair and equal access to the housing market;

13 (8) Increase the availability of mortgage credit at low interest
14 rates; and

15 (9) Coordinate and be consistent with the goals, objectives, and
16 required housing element of the comprehensive plan in the state's
17 growth management act in RCW 36.70A.070.

18 NEW SECTION. **Sec. 4.** Unless the context clearly requires
19 otherwise, the definitions in this section apply throughout this
20 chapter.

21 (1) "Affordable housing" means residential housing that is rented
22 or owned by a person or household whose monthly housing costs,
23 including utilities other than telephone, do not exceed thirty percent
24 of the household's monthly income.

25 (2) "Department" means the department of community development.

26 (3) "Director" means the director of community development.

27 (4) "Nonprofit organization" means any public or private nonprofit
28 organization that: (a) Is organized under federal, state, or local
29 laws; (b) has no part of its net earnings inuring to the benefit of any
30 member, founder, contributor, or individual; and (c) has among its
31 purposes significant activities related to the provision of decent
32 housing that is affordable to very low-income, low-income, or moderate-
33 income households and special needs populations.

34 (5) "Tenant-based organization" means a nonprofit organization
35 whose governing body includes a majority of members who reside in the
36 housing development and are considered low-income households.

1 NEW SECTION. **Sec. 5.** (1) The department shall establish the
2 affordable housing advisory board to consist of twenty-one members.

3 (a) The following eighteen members shall be appointed by the
4 governor:

5 (i) Two representatives of the residential construction industry;

6 (ii) Two representatives of the home mortgage lending profession;

7 (iii) One representative of the real estate sales profession;

8 (iv) One representative of the apartment management and operation
9 industry;

10 (v) One representative of the for-profit housing development
11 industry;

12 (vi) One representative of the nonprofit housing development
13 industry;

14 (vii) One representative of homeless shelter operators;

15 (viii) One representative of lower-income persons;

16 (ix) One representative of special needs populations;

17 (x) One representative of public housing authorities as created
18 under chapter 35.82 RCW;

19 (xi) Two representatives of the Washington association of counties,
20 one representative shall be from a county that is located east of the
21 crest of the Cascade mountains;

22 (xii) Two representatives of the association of Washington cities,
23 one representative shall be from a city that is located east of the
24 crest of the Cascade mountains;

25 (xiii) One representative to serve as chair of the affordable
26 housing advisory board;

27 (xiv) One representative at large.

28 (b) The following three members shall serve as ex officio,
29 nonvoting members:

30 (i) The director or the director's designee;

31 (ii) The executive director of the Washington state housing finance
32 commission or the executive director's designee; and

33 (iii) The secretary of social and health services or the
34 secretary's designee.

35 (2)(a) The members of the affordable housing advisory board
36 appointed by the governor shall be appointed for four-year terms,
37 except that the chair shall be appointed to serve a two-year term. The
38 terms of five of the initial appointees shall be for two years from the
39 date of appointment and the terms of six of the initial appointees

1 shall be for three years from the date of appointment. The governor
2 shall designate the appointees who will serve the two-year and three-
3 year terms. The members of the advisory board shall serve without
4 compensation, but shall be reimbursed for travel expenses as provided
5 in RCW 43.03.050 and 43.03.060.

6 (b) The governor, when making appointments to the affordable
7 housing advisory board, shall make appointments that reflect the
8 cultural diversity of the state of Washington.

9 (3) The affordable housing advisory board shall serve as the
10 department's principal advisory body on housing and housing-related
11 issues, and replaces the department's existing boards and task forces
12 on housing and housing-related issues.

13 (4) The affordable housing advisory board shall meet regularly and
14 may create subcommittees as needed to address specific issues and
15 concerns.

16 (5) The department, in conjunction with the Washington state
17 housing finance commission and the department of social and health
18 services, shall supply such information and assistance as are deemed
19 necessary for the advisory board to carry out its duties under this
20 section.

21 (6) The department shall provide administrative and clerical
22 assistance to the affordable housing advisory board.

23 NEW SECTION. **Sec. 6.** The affordable housing advisory board shall:

24 (1) Analyze those solutions and programs that could begin to
25 address the state's need for housing that is affordable for all
26 economic segments of the state, and special needs populations,
27 including but not limited to programs or proposals which provide for:

28 (a) Financing for the acquisition, rehabilitation, preservation, or
29 construction of housing;

30 (b) Use of publicly owned land and buildings as sites for
31 affordable housing;

32 (c) Coordination of state initiatives with federal initiatives and
33 financing programs that are referenced in the Cranston-Gonzalez
34 national affordable housing act (42 U.S.C. Sec. 12701 et seq.), as
35 amended, and development of an approved housing strategy as required in
36 the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec.
37 12701 et seq.), as amended;

1 (d) Streamlining, where appropriate and not detrimental to the
2 public health, safety, and welfare, of the various state and local
3 regulations, and building codes governing the housing industry;

4 (e) Stimulating public and private sector cooperation in the
5 development of affordable housing; and

6 (f) Development of solutions and programs affecting housing,
7 including the equitable geographic distribution of housing for all
8 economic segments, as the advisory board deems necessary;

9 (2) Consider both homeownership and rental housing as viable
10 options for the provision of housing. The advisory board shall give
11 consideration to various types of residential construction and
12 innovative housing options, including but not limited to manufactured
13 housing;

14 (3) Review, evaluate, and make recommendations regarding existing
15 and proposed housing programs and initiatives including but not limited
16 to tax policies, land use policies, and financing programs. The
17 advisory board shall provide recommendations to the director, along
18 with the department's response in the annual housing report to the
19 legislature required in section 9 of this act; and

20 (4) Prepare and submit to the director, by each December 1st,
21 beginning December 1, 1993, a report detailing its findings and make
22 specific program, legislative, and funding recommendations and any
23 other recommendations it deems appropriate.

24 NEW SECTION. **Sec. 7.** (1) The department shall, in consultation
25 with the affordable housing advisory board created in section 5 of this
26 act, report to the legislature on the development and placement of
27 accessory apartments. The department shall produce a written report by
28 December 15, 1993, which:

29 (a) Identifies local governments that allow the siting of accessory
30 apartments in areas zoned for single-family residential use; and

31 (b) Makes recommendations to the legislature designed to encourage
32 the development and placement of accessory apartments in areas zoned
33 for single-family residential use.

34 (2) The recommendations made under subsection (1) of this section
35 shall not take effect before ninety days following adjournment of the
36 1994 regular legislative session.

37 (3) Unless provided otherwise by the legislature, by December 31,
38 1994, local governments shall incorporate in their development

1 regulations, zoning regulations, or official controls the
2 recommendations contained in subsection (1) of this section. The
3 accessory apartment provisions shall be part of the local government's
4 development regulation, zoning regulation, or official control. To
5 allow local flexibility, the recommendations shall be subject to such
6 regulations, conditions, procedures, and limitations as determined by
7 the local legislative authority.

8 (4) As used in this section, "local government" means:

9 (a) A city or code city with a population that exceeds twenty
10 thousand;

11 (b) A county that is required to or has elected to plan under the
12 state growth management act; and

13 (c) A county with a population that exceeds one hundred twenty-five
14 thousand.

15 NEW SECTION. **Sec. 8.** Section 7 of this act is added to chapters
16 35.63, 35A.63, 36.70A, and 36.70 RCW and shall be codified in each of
17 these chapters.

18 NEW SECTION. **Sec. 9.** (1) The department shall, in consultation
19 with the affordable housing advisory board created in section 5 of this
20 act, prepare and from time to time amend a five-year housing advisory
21 plan. The purpose of the plan is to document the need for affordable
22 housing in the state and the extent to which that need is being met
23 through public and private sector programs, to facilitate planning to
24 meet the affordable housing needs of the state, and to enable the
25 development of sound strategies and programs for affordable housing.
26 The information in the five-year housing advisory plan must include:

27 (a) An assessment of the state's housing market trends;

28 (b) An assessment of the housing needs for all economic segments of
29 the state and special needs populations;

30 (c) An inventory of the supply and geographic distribution of
31 affordable housing units made available through public and private
32 sector programs;

33 (d) A status report on the degree of progress made by the public
34 and private sector toward meeting the housing needs of the state;

35 (e) An identification of state and local regulatory barriers to
36 affordable housing and proposed regulatory and administrative

1 techniques designed to remove barriers to the development and placement
2 of affordable housing; and

3 (f) Specific recommendations, policies, or proposals for meeting
4 the affordable housing needs of the state.

5 (2)(a) The five-year housing advisory plan required under
6 subsection (1) of this section must be submitted to the legislature on
7 or before February 1, 1994, and subsequent plans must be submitted
8 every five years thereafter.

9 (b) Each February 1st, beginning February 1, 1995, the department
10 shall submit an annual progress report, to the legislature, detailing
11 the extent to which the state's affordable housing needs were met
12 during the preceding year and recommendations for meeting those needs.

13 NEW SECTION. Sec. 10. (1) The department shall be the principal
14 state department responsible for coordinating federal and state
15 resources and activities in housing, except for programs administered
16 by the Washington state housing finance commission under chapter 43.180
17 RCW, and for evaluating the operations and accomplishments of other
18 state departments and agencies as they affect housing.

19 (2) The department shall work with local governments, tribal
20 organizations, local housing authorities, nonprofit community or
21 neighborhood-based organizations, and regional or state-wide nonprofit
22 housing assistance organizations, for the purpose of coordinating
23 federal and state resources with local resources for housing.

24 **Sec. 11.** RCW 43.185.110 and 1991 c 204 s 4 are each amended to
25 read as follows:

26 (~~The director shall prepare an annual report and shall send copies~~
27 ~~to the chair of the house of representatives committee on housing, the~~
28 ~~chair of the senate committee on commerce and labor, and one copy to~~
29 ~~the staff of each committee that summarizes the housing trust fund's~~
30 ~~income, grants and operating expenses, implementation of its program,~~
31 ~~and any problems arising in the administration thereof. The director~~
32 ~~shall promptly appoint a low income housing assistance advisory~~
33 ~~committee composed of a representative from each of the following~~
34 ~~groups: Apartment owners, realtors, mortgage lending or servicing~~
35 ~~institutions, private nonprofit housing assistance programs, tenant~~
36 ~~associations, and public housing assistance programs.)) The affordable
37 housing advisory ((group)) board established in section 5 of this act~~

1 shall advise the director on housing needs in this state, including
2 housing needs for persons who are mentally ill or developmentally
3 disabled or youth who are blind or deaf or otherwise disabled,
4 operational aspects of the grant and loan program or revenue collection
5 programs established by this chapter, and implementation of the policy
6 and goals of this chapter. Such advice shall be consistent with
7 policies and plans developed by regional support networks according to
8 chapter 71.24 RCW for the mentally ill and the developmental
9 disabilities planning council for the developmentally disabled.

10 **Sec. 12.** RCW 43.185A.020 and 1991 c 356 s 11 are each amended to
11 read as follows:

12 The affordable housing program is created in the department of
13 community development for the purpose of developing and coordinating
14 public and private resources targeted to meet the affordable housing
15 needs of low-income households in the state of Washington. The program
16 shall be developed and administered by the department with advice and
17 input from the (~~low-income [housing] assistance advisory committee~~
18 ~~established in RCW 43.185.110~~) affordable housing advisory board
19 established in section 5 of this act.

20 NEW SECTION. **Sec. 13.** This chapter may be known and cited as the
21 "Washington housing policy act."

22 NEW SECTION. **Sec. 14.** Sections 1 through 6, 9, and 13 of this act
23 shall constitute a new chapter in Title 43 RCW.

--- END ---