

CERTIFICATION OF ENROLLMENT

SENATE BILL 5584

53rd Legislature
1993 Regular Session

Passed by the Senate April 20, 1993
YEAS 33 NAYS 7

President of the Senate

Passed by the House April 18, 1993
YEAS 93 NAYS 1

**Speaker of the
House of Representatives**

Approved

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5584** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

Governor of the State of Washington

**Secretary of State
State of Washington**

SENATE BILL 5584

AS AMENDED BY THE HOUSE

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senators Franklin, Winsley, McAuliffe, Skratek, M. Rasmussen, Hargrove, Wojahn, Niemi, Drew and Pelz

Read first time 02/04/93. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to housing; amending RCW 43.185.110, 43.185A.020,
2 and 35.82.070; adding new sections to chapter 43.63A RCW; adding new
3 sections to chapter 35.63 RCW; adding new sections to chapter 35A.63
4 RCW; adding new sections to chapter 36.70 RCW; adding new sections to
5 chapter 36.70A RCW; and adding a new chapter to Title 43 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) "Regulatory barriers to affordable housing" and "regulatory
35 barriers" mean any public policies (including those embodied in
36 statutes, ordinances, regulations, or administrative procedures or
37 processes) required to be identified by the state or local government
38 in connection with its strategy under section 105(b)(4) of the

1 Cranston-Gonzalez national affordable housing act (42 U.S.C. 12701 et
2 seq.).

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

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

8 (a) The following eighteen members shall be appointed by the
9 governor:

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

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

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

13 (iv) One representative of the apartment management and operation
14 industry;

15 (v) One representative of the for-profit housing development
16 industry;

17 (vi) One representative of the nonprofit housing development
18 industry;

19 (vii) One representative of homeless shelter operators;

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

21 (ix) One representative of special needs populations;

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

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

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

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

32 (xiv) One representative at large.

33 (b) The following three members shall serve as ex officio,
34 nonvoting members:

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

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

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

3 (2)(a) The members of the affordable housing advisory board
4 appointed by the governor shall be appointed for four-year terms,
5 except that the chair shall be appointed to serve a two-year term. The
6 terms of five of the initial appointees shall be for two years from the
7 date of appointment and the terms of six of the initial appointees
8 shall be for three years from the date of appointment. The governor
9 shall designate the appointees who will serve the two-year and three-
10 year terms. The members of the advisory board shall serve without
11 compensation, but shall be reimbursed for travel expenses as provided
12 in RCW 43.03.050 and 43.03.060.

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

16 (3) The affordable housing advisory board shall serve as the
17 department's principal advisory body on housing and housing-related
18 issues, and replaces the department's existing boards and task forces
19 on housing and housing-related issues.

20 (4) The affordable housing advisory board shall meet regularly and
21 may appoint technical advisory committees, which may include members
22 of the affordable housing advisory board, as needed to address specific
23 issues and concerns.

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

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

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

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

36 (a) Financing for the acquisition, rehabilitation, preservation, or
37 construction of housing;

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

3 (c) Coordination of state initiatives with federal initiatives and
4 financing programs that are referenced in the Cranston-Gonzalez
5 national affordable housing act (42 U.S.C. Sec. 12701 et seq.), as
6 amended, and development of an approved housing strategy as required in
7 the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec.
8 12701 et seq.), as amended;

9 (d) Identification and removal, where appropriate and not
10 detrimental to the public health and safety, or environment, of state
11 and local regulatory barriers to the development and placement of
12 affordable housing;

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

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

18 (2) Consider both homeownership and rental housing as viable
19 options for the provision of housing. The advisory board shall give
20 consideration to various types of residential construction and
21 innovative housing options, including but not limited to manufactured
22 housing;

23 (3) Review, evaluate, and make recommendations regarding existing
24 and proposed housing programs and initiatives including but not limited
25 to tax policies, land use policies, and financing programs. The
26 advisory board shall provide recommendations to the director, along
27 with the department's response in the annual housing report to the
28 legislature required in section 12 of this act; and

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

33 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.63A RCW
34 to read as follows:

35 (1) The department shall, in consultation with the affordable
36 housing advisory board created in section 5 of this act, report to the
37 legislature on the development and placement of accessory apartments.

1 The department shall produce a written report by December 15, 1993,
2 which:

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

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

8 (2) The recommendations made under subsection (1) of this section
9 shall not take effect before ninety days following adjournment of the
10 1994 regular legislative session.

11 (3) Unless provided otherwise by the legislature, by December 31,
12 1994, local governments shall incorporate in their development
13 regulations, zoning regulations, or official controls the
14 recommendations contained in subsection (1) of this section. The
15 accessory apartment provisions shall be part of the local government's
16 development regulation, zoning regulation, or official control. To
17 allow local flexibility, the recommendations shall be subject to such
18 regulations, conditions, procedures, and limitations as determined by
19 the local legislative authority.

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

21 (a) A city or code city with a population that exceeds twenty
22 thousand;

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

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

27 NEW SECTION. **Sec. 8.** A new section is added to chapter 35.63 RCW
28 to read as follows:

29 Any local government, as defined in section 7 of this act, that is
30 planning under this chapter shall comply with section 7(3) of this act.

31 NEW SECTION. **Sec. 9.** A new section is added to chapter 35A.63 RCW
32 to read as follows:

33 Any local government, as defined in section 7 of this act, that is
34 planning under this chapter shall comply with section 7(3) of this act.

35 NEW SECTION. **Sec. 10.** A new section is added to chapter 36.70 RCW
36 to read as follows:

1 Any local government, as defined in section 7 of this act, that is
2 planning under this chapter shall comply with section 7(3) of this act.

3 NEW SECTION. **Sec. 11.** A new section is added to chapter 36.70A
4 RCW to read as follows:

5 Any local government, as defined in section 7 of this act, that is
6 planning under this chapter shall comply with section 7(3) of this act.

7 NEW SECTION. **Sec. 12.** (1) The department shall, in consultation
8 with the affordable housing advisory board created in section 5 of this
9 act, prepare and from time to time amend a five-year housing advisory
10 plan. The purpose of the plan is to document the need for affordable
11 housing in the state and the extent to which that need is being met
12 through public and private sector programs, to facilitate planning to
13 meet the affordable housing needs of the state, and to enable the
14 development of sound strategies and programs for affordable housing.
15 The information in the five-year housing advisory plan must include:

- 16 (a) An assessment of the state's housing market trends;
17 (b) An assessment of the housing needs for all economic segments of
18 the state and special needs populations;
19 (c) An inventory of the supply and geographic distribution of
20 affordable housing units made available through public and private
21 sector programs;
22 (d) A status report on the degree of progress made by the public
23 and private sector toward meeting the housing needs of the state;
24 (e) An identification of state and local regulatory barriers to
25 affordable housing and proposed regulatory and administrative
26 techniques designed to remove barriers to the development and placement
27 of affordable housing; and
28 (f) Specific recommendations, policies, or proposals for meeting
29 the affordable housing needs of the state.

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

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

1 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.63A
2 RCW to read as follows:

3 (1) The department shall be the principal state department
4 responsible for coordinating federal and state resources and activities
5 in housing, except for programs administered by the Washington state
6 housing finance commission under chapter 43.180 RCW, and for evaluating
7 the operations and accomplishments of other state departments and
8 agencies as they affect housing.

9 (2) The department shall work with local governments, tribal
10 organizations, local housing authorities, nonprofit community or
11 neighborhood-based organizations, and regional or state-wide nonprofit
12 housing assistance organizations, for the purpose of coordinating
13 federal and state resources with local resources for housing.

14 NEW SECTION. **Sec. 14.** A new section is added to chapter 43.63A
15 RCW to read as follows:

16 The department shall provide technical assistance and information
17 to state agencies and local governments to assist in the identification
18 and removal of regulatory barriers to the development and placement of
19 affordable housing. In providing assistance the department may:

20 (1) Analyze the costs and benefits of state legislation, rules, and
21 administrative actions and their impact on the development and
22 placement of affordable housing;

23 (2) Analyze the costs and benefits of local legislation, rules, and
24 administrative actions and their impact on the development and
25 placement of affordable housing;

26 (3) Assist state agencies and local governments in determining the
27 impact of existing and anticipated actions, legislation, and rules on
28 the development and placement of affordable housing;

29 (4) Investigate techniques and opportunities for reducing the life
30 cycle housing costs through regulatory reform;

31 (5) Develop model standards and ordinances designed to reduce
32 regulatory barriers to affordable housing and assisting n their
33 adoption and use at the state and local government level;

34 (6) Provide technical assistance and information to state agencies
35 and local governments for implementation of legislative and
36 administrative reform programs to remove barriers to affordable
37 housing;

38 (7) Prepare state regulatory barrier removal strategies;

1 (8) Provide staffing to the affordable housing advisory board
2 created in section 5 of this act; and

3 (9) Perform other activities as the director deems necessary to
4 assist the state, local governments, and the housing industry in
5 meeting the affordable housing needs of the state.

6 **Sec. 15.** RCW 43.185.110 and 1991 c 204 s 4 are each amended to
7 read as follows:

8 (~~The director shall prepare an annual report and shall send copies~~
9 ~~to the chair of the house of representatives committee on housing, the~~
10 ~~chair of the senate committee on commerce and labor, and one copy to~~
11 ~~the staff of each committee that summarizes the housing trust fund's~~
12 ~~income, grants and operating expenses, implementation of its program,~~
13 ~~and any problems arising in the administration thereof. The director~~
14 ~~shall promptly appoint a low income housing assistance advisory~~
15 ~~committee composed of a representative from each of the following~~
16 ~~groups: Apartment owners, realtors, mortgage lending or servicing~~
17 ~~institutions, private nonprofit housing assistance programs, tenant~~
18 ~~associations, and public housing assistance programs.)) The affordable
19 housing advisory ((group)) board established in section 5 of this act
20 shall advise the director on housing needs in this state, including
21 housing needs for persons who are mentally ill or developmentally
22 disabled or youth who are blind or deaf or otherwise disabled,
23 operational aspects of the grant and loan program or revenue collection
24 programs established by this chapter, and implementation of the policy
25 and goals of this chapter. Such advice shall be consistent with
26 policies and plans developed by regional support networks according to
27 chapter 71.24 RCW for the mentally ill and the developmental
28 disabilities planning council for the developmentally disabled.~~

29 **Sec. 16.** RCW 43.185A.020 and 1991 c 356 s 11 are each amended to
30 read as follows:

31 The affordable housing program is created in the department of
32 community development for the purpose of developing and coordinating
33 public and private resources targeted to meet the affordable housing
34 needs of low-income households in the state of Washington. The program
35 shall be developed and administered by the department with advice and
36 input from the (~~low income [housing] assistance advisory committee~~

1 ~~established in RCW 43.185.110))~~ affordable housing advisory board
2 established in section 5 of this act.

3 **Sec. 17.** RCW 35.82.070 and 1991 c 167 s 1 are each amended to read
4 as follows:

5 An authority shall constitute a public body corporate and politic,
6 exercising public and essential governmental functions, and having all
7 the powers necessary or convenient to carry out and effectuate the
8 purposes and provisions of this chapter, including the following powers
9 in addition to others herein granted:

10 (1) To sue and be sued; to have a seal and to alter the same at
11 pleasure; to have perpetual succession; to make and execute contracts
12 and other instruments, including but not limited to partnership
13 agreements and joint venture agreements, necessary or convenient to the
14 exercise of the powers of the authority; to participate in the
15 organization or the operation of a nonprofit corporation which has as
16 one of its purposes to provide or assist in the provision of housing
17 for persons of low income; and to make and from time to time amend and
18 repeal bylaws, rules and regulations, not inconsistent with this
19 chapter, to carry into effect the powers and purposes of the authority.

20 (2) Within its area of operation: To prepare, carry out, acquire,
21 lease and operate housing projects; to provide for the construction,
22 reconstruction, improvement, alteration or repair of any housing
23 project or any part thereof; to agree to rent or sell dwellings forming
24 part of the projects to or for persons of low income. Where an
25 agreement or option is made to sell a dwelling to a person of low
26 income, the authority may convey the dwelling to the person upon
27 fulfillment of the agreement irrespective of whether the person is at
28 the time of the conveyance a person of low income. Leases, options,
29 agreements, or conveyances may include such covenants as the authority
30 deems appropriate to assure the achievement of the objectives of this
31 chapter.

32 (3) To acquire, lease, rent, sell, or otherwise dispose of any
33 commercial space located in buildings or structures containing a
34 housing project or projects.

35 (4) To arrange or contract for the furnishing by any person or
36 agency, public or private, of services, privileges, works, or
37 facilities for, or in connection with, a housing project or the
38 occupants thereof; and (notwithstanding anything to the contrary

1 contained in this chapter or in any other provision of law) to include
2 in any contract let in connection with a project, stipulations
3 requiring that the contractor and any subcontractors comply with
4 requirements as to minimum wages and maximum hours of labor, and comply
5 with any conditions which the federal government may have attached to
6 its financial aid of the project.

7 (5) To lease or rent any dwellings, houses, accommodations, lands,
8 buildings, structures or facilities embraced in any housing project and
9 (subject to the limitations contained in this chapter) to establish and
10 revise the rents or charges therefor; to own or manage buildings
11 containing a housing project or projects as well as commercial space or
12 other dwelling units that do not constitute a housing project as that
13 term is defined in this chapter: PROVIDED, That notwithstanding the
14 provisions under subsection (1) of this section, dwelling units made
15 available or sold to persons of low income, together with functionally
16 related and subordinate facilities, shall occupy ((at least thirty
17 percent of the interior space of any individual building other than a
18 detached single family or duplex residential building or mobile or
19 manufactured home and)) at least fifty percent of the interior space in
20 the total development owned by the authority or at least fifty percent
21 of the total number of units in the development owned by the authority,
22 whichever produces the greater number of units for persons of low
23 income, and for mobile home parks, the mobile home lots made available
24 to persons of low income shall be at least fifty percent of the total
25 number of mobile home lots in the park owned by the authority; to own,
26 hold, and improve real or personal property; to purchase, lease, obtain
27 options upon, acquire by gift, grant, bequest, devise, or otherwise
28 including financial assistance and other aid from the state or any
29 public body, person or corporation, any real or personal property or
30 any interest therein; to acquire by the exercise of the power of
31 eminent domain any real property; to sell, lease, exchange, transfer,
32 assign, pledge, or dispose of any real or personal property or any
33 interest therein; to sell, lease, exchange, transfer, or dispose of any
34 real or personal property or interest therein at less than fair market
35 value to a governmental entity for any purpose when such action assists
36 the housing authority in carrying out its powers and purposes under
37 this chapter, to a low-income person or family for the purpose of
38 providing housing for that person or family, or to a nonprofit
39 corporation provided the nonprofit corporation agrees to sell the

1 property to a low-income person or family or to use the property for
2 the provision of housing for persons of low income for at least twenty
3 years; to insure or provide for the insurance of any real or personal
4 property or operations of the authority against any risks or hazards;
5 to procure or agree to the procurement of insurance or guarantees from
6 the federal government of the payment of any bonds or parts thereof
7 issued by an authority, including the power to pay premiums on any such
8 insurance.

9 (6) To invest any funds held in reserves or sinking funds, or any
10 funds not required for immediate disbursement, in property or
11 securities in which savings banks may legally invest funds subject to
12 their control; to purchase its bonds at a price not more than the
13 principal amount thereof and accrued interest, all bonds so purchased
14 to be canceled.

15 (7) Within its area of operation: To investigate into living,
16 dwelling and housing conditions and into the means and methods of
17 improving such conditions; to determine where slum areas exist or where
18 there is a shortage of decent, safe and sanitary dwelling
19 accommodations for persons of low income; to make studies and
20 recommendations relating to the problem of clearing, replanning and
21 reconstructing of slum areas, and the problem of providing dwelling
22 accommodations for persons of low income, and to cooperate with the
23 city, the county, the state or any political subdivision thereof in
24 action taken in connection with such problems; and to engage in
25 research, studies and experimentation on the subject of housing.

26 (8) Acting through one or more commissioners or other person or
27 persons designated by the authority: To conduct examinations and
28 investigations and to hear testimony and take proof under oath at
29 public or private hearings on any matter material for its information;
30 to administer oaths, issue subpoenas requiring the attendance of
31 witnesses or the production of books and papers and to issue
32 commissions for the examination of witnesses who are outside of the
33 state or unable to attend before the authority, or excused from
34 attendance; to make available to appropriate agencies (including those
35 charged with the duty of abating or requiring the correction of
36 nuisances or like conditions, or of demolishing unsafe or insanitary
37 structures within its area of operation) its findings and
38 recommendations with regard to any building or property where

1 conditions exist which are dangerous to the public health, morals,
2 safety or welfare.

3 (9) To initiate eviction proceedings against any tenant as provided
4 by law. Activity occurring in any housing authority unit that
5 constitutes a violation of chapter 69.41, 69.50 or 69.52 RCW shall
6 constitute a nuisance for the purpose of RCW 59.12.030(5).

7 (10) To exercise all or any part or combination of powers herein
8 granted.

9 No provisions of law with respect to the acquisition, operation or
10 disposition of property by other public bodies shall be applicable to
11 an authority unless the legislature shall specifically so state.

12 (11) To agree (notwithstanding the limitation contained in RCW
13 35.82.210) to make such payments in lieu of taxes as the authority
14 finds consistent with the achievement of the purposes of this chapter.

15 (12) Upon the request of a county or city, to exercise any powers
16 of an urban renewal agency under chapter 35.81 RCW or a public
17 corporation, commission, or authority under chapter 35.21 RCW.
18 However, in the exercise of any such powers the housing authority shall
19 be subject to any express limitations contained in this chapter.

20 (13) To exercise the powers granted in this chapter within the
21 boundaries of any city, town, or county not included in the area in
22 which such housing authority is originally authorized to function:
23 PROVIDED, HOWEVER, The governing or legislative body of such city,
24 town, or county, as the case may be, adopts a resolution declaring that
25 there is a need for the authority to function in such territory.

26 (~~(13)~~) (14) To administer contracts for assistance payments to
27 persons of low income in accordance with section 8 of the United States
28 Housing Act of 1937, as amended by Title II, section 201 of the Housing
29 and Community Development Act of 1974, P.L. 93-383.

30 (~~(14)~~) (15) To sell at public or private sale, with or without
31 public bidding, for fair market value, any mortgage or other obligation
32 held by the authority.

33 (~~(15)~~) (16) To the extent permitted under its contract with the
34 holders of bonds, notes, and other obligations of the authority, to
35 consent to any modification with respect to rate of interest, time and
36 payment of any installment of principal or interest security, or any
37 other term of any contract, mortgage, mortgage loan, mortgage loan
38 commitment, contract or agreement of any kind to which the authority is
39 a party.

1 (~~(16)~~) (17) To make, purchase, participate in, invest in, take
2 assignments of, or otherwise acquire loans to persons of low income to
3 enable them to acquire, construct, reconstruct, rehabilitate, improve,
4 lease, or refinance their dwellings, and to take such security therefor
5 as is deemed necessary and prudent by the authority.

6 (~~(17)~~) (18) To make, purchase, participate in, invest in, take
7 assignments of, or otherwise acquire loans for the acquisition,
8 construction, reconstruction, rehabilitation, improvement, leasing, or
9 refinancing of land, buildings, or developments for housing for persons
10 of low income. For purposes of this subsection, development shall
11 include either land or buildings or both.

12 (a) Any development financed under this subsection shall be subject
13 to an agreement that for at least twenty years the dwelling units made
14 available to persons of low income together with functionally related
15 and subordinate facilities shall occupy at least (~~thirty percent of~~
16 ~~the interior space of any individual building other than a detached~~
17 ~~single family or duplex residential building or mobile or manufactured~~
18 ~~home and shall occupy at least~~) fifty percent of the interior space in
19 the total development or at least fifty percent of the total number of
20 units in the development, whichever produces the greater number of
21 units for persons of low income. For mobile home parks, the mobile
22 home lots made available to persons of low income shall be at least
23 fifty percent of the total number of mobile home lots in the park.
24 During the term of the agreement, the owner shall use its best efforts
25 in good faith to maintain the dwelling units or mobile home lots
26 required to be made available to persons of low income at rents
27 affordable to persons of low income. The twenty-year requirement under
28 this subsection (18)(a) shall not apply when an authority finances the
29 development by nonprofit corporations or governmental units of
30 dwellings or mobile home lots intended for sale to persons of low and
31 moderate income, and shall not apply to construction or other short-
32 term financing provided to nonprofit corporations or governmental units
33 when the financing has a repayment term of one year or less.

34 (b) In addition, if the development is owned by a for-profit
35 entity, the dwelling units or mobile home lots required to be made
36 available to persons of low income shall be rented to persons whose
37 incomes do not exceed fifty percent of the area median income, adjusted
38 for household size, and shall have unit or lot rents that do not exceed
39 fifteen percent of area median income, adjusted for household size,

1 unless rent subsidies are provided to make them affordable to persons
2 of low income.

3 For purposes of this subsection (~~((17))~~)(18)(b), if the development
4 is owned directly or through a partnership by a governmental entity or
5 a nonprofit organization, which nonprofit organization is itself not
6 controlled by a for-profit entity or affiliated with any for-profit
7 entity that a nonprofit organization itself does not control, it shall
8 not be treated as being owned by a for-profit entity when the
9 governmental entity or nonprofit organization exercises legal control
10 of the ownership entity and in addition, (i) the dwelling units or
11 mobile home lots required to be made available to persons of low income
12 are rented to persons whose incomes do not exceed sixty percent of the
13 area median income, adjusted for household size, and (ii) the
14 development is subject to an agreement that transfers ownership to the
15 governmental entity or nonprofit organization or extends an irrevocable
16 right of first refusal to purchase the development under a formula for
17 setting the acquisition price that is specified in the agreement.

18 (c) Commercial space in any building financed under this subsection
19 that exceeds four stories in height shall not constitute more than
20 twenty percent of the interior area of the building. Before financing
21 any development under this subsection the authority shall make a
22 written finding that financing is important for project feasibility or
23 necessary to enable the authority to carry out its powers and purposes
24 under this chapter.

25 (~~((18))~~) (19) To contract with a public authority or corporation,
26 created by a county, city, or town under RCW 35.21.730 through
27 35.21.755, to act as the developer for new housing projects or
28 improvement of existing housing projects.

29 NEW SECTION. **Sec. 18.** A new section is added to chapter 43.63A
30 RCW to read as follows:

31 (1) The legislature finds that:

32 (a) The trend toward smaller household sizes will continue into the
33 foreseeable future;

34 (b) Many of these households are in housing units that contain more
35 bedrooms than occupants;

36 (c) There are older homeowners on relatively low, fixed income who
37 are experiencing difficulties maintaining their homes; and

1 (d) There are single parents, recently widowed persons, people in
2 the midst of divorce or separation, and handicapped that are faced with
3 displacement due to the high cost of housing.

4 (2) The legislature declares that the purpose of section 19 of this
5 act is to develop a pilot program designed to:

6 (a) Provide home-matching services that can enable people to
7 continue living in their homes while promoting continuity of home
8 ownership and community stability; and

9 (b) Counter the problem of displacement among people on relatively
10 low, fixed incomes by linking people offering living space with people
11 seeking housing.

12 NEW SECTION. **Sec. 19.** A new section is added to chapter 43.63A
13 RCW to read as follows:

14 (1) The department may develop and administer a home-matching
15 program for the purpose of providing grants and technical assistance to
16 eligible organizations to operate local home-matching programs. For
17 purposes of this section, "eligible organizations" are those
18 organizations eligible to receive assistance through the Washington
19 housing trust fund, chapter 43.185 RCW.

20 (2) The department may select up to five eligible organizations for
21 the purpose of implementing a local home-matching program. The local
22 home-matching programs are designed to facilitate: (a)
23 Intergenerational homesharing involving older homeowners sharing homes
24 with younger persons; (b) homesharing arrangements that involve an
25 exchange of services such as cooking, housework, gardening, or
26 babysitting for room and board or some financial consideration such as
27 rent; and (c) the more efficient use of available housing.

28 (3) In selecting local pilot programs under this section, the
29 department shall consider:

30 (a) The eligible organization's ability, stability, and resources
31 to implement the local home-matching program;

32 (b) The eligible organization's efforts to coordinate other support
33 services needed by the individual or family participating in the local
34 home-matching program; and

35 (c) Other factors the department deems appropriate.

36 (4) The eligible organizations shall establish criteria for
37 participation in the local home-matching program. The eligible
38 organization shall make a determination of eligibility regarding the

1 individuals' or families' participation in the local home-matching
2 program. The determination shall include, but is not limited to a
3 verification of the individual's or family's history of making rent
4 payments in a consistent and timely manner.

5 NEW SECTION. **Sec. 20.** A new section is added to chapter 35.63 RCW
6 to read as follows:

7 No city may enact or maintain an ordinance, development regulation,
8 zoning regulation or official control, policy, or administrative
9 practice which treats a residential structure occupied by persons with
10 handicaps differently than a similar residential structure occupied by
11 a family or other unrelated individuals. As used in this section,
12 "handicaps" are as defined in the federal fair housing amendments act
13 of 1988 (42 U.S.C. Sec. 3602).

14 **Sec. 21.** A new section is added to chapter 35A.63 RCW to read as
15 follows:

16 No city may enact or maintain an ordinance, development regulation,
17 zoning regulation or official control, policy, or administrative
18 practice which treats a residential structure occupied by persons with
19 handicaps differently than a similar residential structure occupied by
20 a family or other unrelated individuals. As used in this section,
21 "handicaps" are as defined in the federal fair housing amendments act
22 of 1988 (42 U.S.C. Sec. 3602).

23 NEW SECTION. **Sec. 22.** A new section is added to chapter 36.70 RCW
24 to read as follows:

25 No county may enact or maintain an ordinance, development
26 regulation, zoning regulation or official control, policy, or
27 administrative practice which treats a residential structure occupied
28 by persons with handicaps differently than a similar residential
29 structure occupied by a family or other unrelated individuals. As used
30 in this section, "handicaps" are as defined in the federal fair housing
31 amendments act of 1988 (42 U.S.C. Sec. 3602).

32 NEW SECTION. **Sec. 23.** A new section is added to chapter 36.70A
33 RCW to read as follows:

34 No county or city that plans or elects to plan under this chapter
35 may enact or maintain an ordinance, development regulation, zoning

1 regulation or official control, policy, or administrative practice
2 which treats a residential structure occupied by persons with handicaps
3 differently than a similar residential structure occupied by a family
4 or other unrelated individuals. As used in this section, "handicaps"
5 are as defined in the federal fair housing amendments act of 1988 (42
6 U.S.C. Sec. 3602).

7 NEW SECTION. **Sec. 24.** This chapter may be known and cited as the
8 "Washington housing policy act."

9 NEW SECTION. **Sec. 25.** Sections 1 through 6, 12, and 24 of this
10 act shall constitute a new chapter in Title 43 RCW.

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