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HOUSE BILL 1725

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State of Washington

55th Legislature

1997 Regular Session

By Representatives Ogden, Radcliff, Zellinsky, Grant, Costa, Blalock, Cooper, Murray, Dunshee, Morris, Wood and Mason

Read first time 02/06/97. Referred to Committee on Government Reform & Land Use.

1 AN ACT Relating to residential housing in urban centers; and  
2 amending RCW 84.14.010, 84.14.030, and 84.14.050.

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

4 **Sec. 1.** RCW 84.14.010 and 1995 c 375 s 3 are each amended to read  
5 as follows:

6 Unless the context clearly requires otherwise, the definitions in  
7 this section apply throughout this chapter.

8 (1) "City" means: (a) A city or town with a population of at least  
9 one hundred fifty thousand located in a county planning under the  
10 growth management act; or (b) the central city of a metropolitan area.

11 (2) "Central city" means the largest city within a metropolitan  
12 area. In the case of a metropolitan area that consists of two  
13 contiguous counties, the local governments may designate one city as  
14 the central city for the purposes of this chapter.

15 (3) "Governing authority" means the local legislative authority of  
16 a city having jurisdiction over the property for which an exemption may  
17 be applied for under this chapter.

18 ~~((3))~~ (4) "Growth management act" means chapter 36.70A RCW.

1       ~~((4))~~ (5) "Metropolitan area" means a county with a population of  
2 at least one hundred fifty thousand. A metropolitan area may include  
3 two contiguous counties that have close economic and social  
4 relationships.

5       (6) "Multiple-unit housing" means a building having four or more  
6 dwelling units not designed or used as transient accommodations and not  
7 including hotels and motels. Multifamily units may result from new  
8 construction or rehabilitated or conversion of vacant, underutilized,  
9 or substandard buildings to multifamily housing.

10       ~~((5))~~ (7) "Owner" means the property owner of record.

11       ~~((6))~~ (8) "Permanent residential occupancy" means multiunit  
12 housing that provides either rental or owner occupancy on a  
13 nontransient basis. This includes owner-occupied or rental  
14 accommodation that is leased for a period of at least one month. This  
15 excludes hotels and motels that predominately offer rental  
16 accommodation on a daily or weekly basis.

17       ~~((7))~~ (9) "Rehabilitation improvements" means modifications to  
18 existing structures, that are vacant for twelve months or longer, that  
19 are made to achieve a condition of substantial compliance with existing  
20 building codes or modification to existing occupied structures which  
21 increase the number of multifamily housing units.

22       ~~((8))~~ (10) "Residential targeted area" means an area within an  
23 urban center that has been designated by the governing authority as a  
24 residential targeted area in accordance with this chapter.

25       ~~((9))~~ (11) "Substantial compliance" means compliance with local  
26 building or housing code requirements that are typically required for  
27 rehabilitation as opposed to new construction.

28       ~~((10))~~ (12) "Urban center" means a compact identifiable district  
29 where urban residents may obtain a variety of products and services.  
30 An urban center must contain:

31       (a) Several existing or previous, or both, business establishments  
32 that may include but are not limited to shops, offices, banks,  
33 restaurants, governmental agencies;

34       (b) Adequate public facilities including streets, sidewalks,  
35 lighting, transit, domestic water, and sanitary sewer systems; and

36       (c) A mixture of uses and activities that may include housing,  
37 recreation, and cultural activities in association with either  
38 commercial or office, or both, use.

1       **Sec. 2.** RCW 84.14.030 and 1995 c 375 s 6 are each amended to read  
2 as follows:

3       An owner of property making application under this chapter must  
4 meet the following requirements:

5       (1) The new or rehabilitated multiple-unit housing must be located  
6 in a residential targeted area as designated by the city;

7       (2) The multiple-unit housing must meet the guidelines as adopted  
8 by the governing authority that may include height, density, public  
9 benefit features, number and size of proposed development, parking,  
10 low-income occupancy requirements, and other adopted requirements  
11 indicated necessary by the city. The required amenities should be  
12 relative to the size of the project and tax benefit to be obtained;

13       (3) The new, converted, or rehabilitated multiple-unit housing must  
14 provide for a minimum of fifty percent of the space for permanent  
15 residential occupancy. In the case of existing occupied multifamily  
16 development, the multifamily housing must also provide for a minimum of  
17 four additional multifamily units. Existing multifamily vacant housing  
18 that has been vacant for twelve months or more does not have to provide  
19 additional multifamily units;

20       (4) New construction multifamily housing and rehabilitation  
21 improvements must be completed within three years from the date of  
22 approval of the application;

23       (5) Property proposed to be rehabilitated must be vacant at least  
24 twelve months before submitting an application and fail to comply with  
25 one or more standards of the applicable state or local building or  
26 housing codes on or after July 23, 1995; and

27       (6) The applicant must enter into a contract with the city approved  
28 by the governing body under which the applicant has agreed to the  
29 implementation of the development on terms and conditions satisfactory  
30 to the governing authority.

31       **Sec. 3.** RCW 84.14.050 and 1995 c 375 s 8 are each amended to read  
32 as follows:

33       An owner of property seeking tax incentives under this chapter must  
34 complete the following procedures:

35       (1) In the case of rehabilitation or where demolition or new  
36 construction is required, the owner shall secure from the governing  
37 authority or duly authorized agent, before commencement of

1 rehabilitation improvements or new construction, verification of  
2 property noncompliance with applicable building and housing codes;

3 (2) In the case of new and rehabilitated multifamily housing, the  
4 owner shall apply to the city on forms adopted by the governing  
5 authority. The application must contain the following:

6 (a) Information setting forth the grounds supporting the requested  
7 exemption including information indicated on the application form or in  
8 the guidelines;

9 (b) A description of the project and site plan, including the floor  
10 plan of units and other information requested;

11 (c) A statement that the applicant is aware of the potential tax  
12 liability involved when the property ceases to be eligible for the  
13 incentive provided under this chapter;

14 (3) The applicant must verify the application by oath or  
15 affirmation; and

16 (4) The application must be made on or before April 1 of each year,  
17 and must be accompanied by the application fee, if any, required under  
18 RCW ((~~84.14.070~~)) 84.14.080. The governing authority may permit the  
19 applicant to revise an application before final action by the governing  
20 authority.

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