
ENGROSSED HOUSE BILL 2694 - CC

State of Washington

58th Legislature

2004 Regular Session

By Representatives Santos, Jarrett, Morrell, McDonald, McIntire, Kenney, Chase, Edwards and Darneille

Read first time 01/19/2004. Referred to Committee on Local Government.

1 AN ACT Relating to revising distribution of funds for operating and
2 maintenance of very low-income housing projects; and amending RCW
3 36.22.178 and 18.85.540.

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

5 **Sec. 1.** RCW 36.22.178 and 2002 c 294 s 2 are each amended to read
6 as follows:

7 (1) Except as provided in subsection (2) of this section, a
8 surcharge of ten dollars per instrument shall be charged by the county
9 auditor for each document recorded, which will be in addition to any
10 other charge authorized by law. The auditor may retain up to five
11 percent of these funds collected to administer the collection of these
12 funds. Of the remaining funds, forty percent of the revenue generated
13 through this surcharge will be transmitted monthly to the state
14 treasurer who will deposit the funds into the Washington housing trust
15 account. The office of community development of the department of
16 community, trade, and economic development will develop guidelines for
17 the use of these funds to support building operation and maintenance
18 costs of housing projects or units within housing projects that are
19 affordable to extremely low-income persons with incomes at or below

1 thirty percent of the area median income, and that require a supplement
2 to rent income to cover ongoing operating expenses. (~~Sixty percent of~~
3 ~~the revenue~~) All of the remaining funds generated by this surcharge
4 will be retained by the county and be deposited into a fund that must
5 be used by the county and its cities and towns for housing projects or
6 units within housing projects that are affordable to very low-income
7 persons with incomes at or below fifty percent of the area median
8 income. The portion of the surcharge retained by a county shall be
9 allocated to very low-income housing projects or units within such
10 housing projects in the county and the cities within a county according
11 to an interlocal agreement between the county and the cities within the
12 county, consistent with countywide and local housing needs and
13 policies. The funds generated with this surcharge shall not be used
14 for construction of new housing if at (~~any~~) the time funds are
15 dedicated for this purpose the vacancy rate for available low-income
16 housing within the county rises above ten percent, unless the new
17 construction is designed to provide housing to identifiable populations
18 with special housing needs within the county or within a city or town
19 within the county, who are not being adequately served by the private
20 housing market, such as persons with developmental disabilities, senior
21 citizens, homeless persons or families, seasonal farm workers, or
22 victims of domestic violence. The vacancy rate for each county shall
23 be developed using the state low-income vacancy rate standard
24 developed under subsection (3) of this section. Permissible uses of
25 these local funds are limited to:

26 (a) Acquisition, construction, or rehabilitation of housing
27 projects or units within housing projects that are affordable to very
28 low-income persons with incomes at or below fifty percent of the area
29 median income;

30 (b) Supporting building operation and maintenance costs of housing
31 projects or units within housing projects (~~built with~~) eligible to
32 receive housing trust funds, that are affordable to very low-income
33 persons with incomes at or below fifty percent of the area median
34 income, and that require a supplement to rent income to cover ongoing
35 operating expenses;

36 (c) Rental assistance vouchers, payable to a landlord, including
37 rental assistance or vouchers for payment of first and last month's
38 rent and security and other deposits required of all other new tenants

1 by a landlord, for housing projects or units within housing projects
2 that are affordable to very low-income persons with incomes at or below
3 fifty percent of the area median income, to be administered (~~(by a~~
4 ~~local public housing authority or other local organization that has an~~
5 ~~existing rental assistance voucher program,~~) consistent with the
6 United States department of housing and urban development's section 8
7 rental assistance voucher program standards regarding dwelling
8 inspections, lease terms, affordability, eligibility for receiving
9 rental assistance vouchers, and grounds for eviction and termination of
10 receipt of voucher funds; and

11 (d) Operating costs for emergency shelters and licensed overnight
12 youth shelters.

13 (2) The surcharge imposed in this section does not apply to
14 assignments or substitutions of previously recorded deeds of trust.

15 (3) The real estate research center at Washington State University
16 shall develop a vacancy rate standard for low-income housing in the
17 state as described in RCW 18.85.540(1)(i).

18 **Sec. 2.** RCW 18.85.540 and 2002 c 294 s 5 are each amended to read
19 as follows:

20 (1) The purpose of a real estate research center in Washington
21 state is to provide credible research, value-added information,
22 education services, and project-oriented research to real estate
23 licensees, real estate consumers, real estate service providers,
24 institutional customers, public agencies, and communities in Washington
25 state and the Pacific Northwest region. The center may:

26 (a) Conduct studies and research on affordable housing and
27 strategies to meet the affordable housing needs of the state;

28 (b) Conduct studies in all areas directly or indirectly related to
29 real estate and urban or rural economics and economically isolated
30 communities;

31 (c) Disseminate findings and results of real estate research
32 conducted at or by the center or elsewhere, using a variety of
33 dissemination media;

34 (d) Supply research results and educational expertise to the
35 Washington state real estate commission to support its regulatory
36 functions, as requested;

- 1 (e) Prepare information of interest to real estate consumers and
2 make the information available to the general public, universities, or
3 colleges, and appropriate state agencies;
- 4 (f) Encourage economic growth and development within the state of
5 Washington;
- 6 (g) Support the professional development and continuing education
7 of real estate licensees in Washington; and
- 8 (h) Study and recommend changes in state statutes relating to real
9 estate(~~(i) and~~
- 10 ~~(i) Develop a vacancy rate standard for low income housing in the~~
11 ~~state)).~~
- 12 (2) The director shall establish a memorandum of understanding with
13 an institution of higher learning that establishes a real estate
14 research center for the purposes under subsection (1) of this section.
- 15 (3) This section expires September 30, 2005.

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