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HOUSE BILL 1601

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State of Washington                      59th Legislature                      2005 Regular Session

By Representatives Ormsby, Holmquist and Pettigrew

Read first time 01/31/2005. Referred to Committee on Housing.

1            AN ACT Relating to the dissolution of joint housing authorities;  
2 and adding a new section to chapter 35.82 RCW.

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

4            NEW SECTION.    **Sec. 1.** A new section is added to chapter 35.82 RCW  
5 to read as follows:

6            (1) A joint housing authority may be dissolved pursuant to  
7 substantially identical resolutions or ordinances of the legislative  
8 authority of each of the counties or cities that previously authorized  
9 that joint housing authority, together with a resolution of the joint  
10 housing authority's board of commissioners. These resolutions or  
11 ordinances may authorize the execution of an agreement among the  
12 counties, cities, and the joint housing authority that provides for the  
13 timing, distribution of assets, obligations and liabilities, and other  
14 matters deemed necessary or appropriate by the contracting entities.

15            (2) Each resolution or ordinance dissolving a joint housing  
16 authority shall provide for the following:

17            (a) Activation or reactivation of a housing authority or joint  
18 housing authority by each of the cities and counties that previously  
19 authorized the joint housing authority and any additional cities or

1 counties that are then to be added. This activation or reactivation  
2 takes effect upon the dissolution of the joint housing authority or at  
3 an earlier time provided in the resolutions or ordinances dissolving  
4 the joint housing authority; and

5 (b) Distribution of all assets, obligations, and liabilities of the  
6 joint housing authority to the housing authorities activated or  
7 reactivated under (a) of this subsection. Distribution of assets,  
8 obligations, and liabilities shall be based on:

9 (i) The population within the boundaries of each of the housing  
10 authorities activated or reactivated under (a) of this subsection;

11 (ii) The number of housing units owned by the joint housing  
12 authority within the boundaries of each of the housing authorities  
13 activated or reactivated under (a) of this subsection;

14 (iii) The number of low-income residents within the boundaries of  
15 each of the housing authorities activated or reactivated under (a) of  
16 this subsection; or

17 (iv) Any other reasonable criteria to determine the distribution of  
18 assets, obligations, and liabilities.

19 (3) Each activated or reactivated housing authority shall be  
20 responsible for debt service on bonds or other obligations issued or  
21 incurred to finance the acquisition, construction, or improvement of  
22 the projects, properties, and other assets that have been distributed  
23 to them under the dissolution. However, unless an outstanding bond  
24 issue is secured solely by specific property and not by an authority's  
25 general revenues, each housing authority activated or reactivated under  
26 subsection (2)(a) of this section shall remain jointly and severally  
27 liable for repayment of outstanding bonds and other obligations of the  
28 joint housing authority, from general revenues of each of the activated  
29 or reactivated housing authorities, and from any other revenues and  
30 accounts that had been expressly pledged by the joint housing authority  
31 to the payment of those bonds or other obligations. As used in this  
32 subsection, "general revenues" means all revenues of a housing  
33 authority from any source, but only to the extent that those revenues  
34 are available to pay debt service on bonds or other obligations and are  
35 not then or thereafter pledged or restricted by law, regulation,  
36 contract, covenant, resolution, deed of trust, or otherwise, solely to

1 another particular purpose.

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