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HOUSE BILL 1629

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State of Washington                      59th Legislature                      2005 Regular Session

By Representatives O'Brien, Dunn, Murray, Chase and Darneille

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

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 housing is constructed to provide housing to identifiable populations  
18 of disabled persons, senior citizens, homeless persons or families,  
19 seasonal farm workers, or victims of domestic violence within the  
20 county or within a city or town within the county, and it is determined  
21 through a public review process that these housing needs are not being  
22 adequately served by the existing private or public housing. The  
23 vacancy rate for each county shall be developed using the state low-  
24 income vacancy rate standard developed under subsection (3) of this  
25 section. Permissible uses of these local funds are limited to and  
26 equal consideration shall be given to:

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

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

36 (c) Supporting building operation and maintenance costs of housing  
37 projects or units within housing projects eligible to receive, but not  
38 built with, housing trust funds, that are affordable to very low-income

1 persons with incomes at or below thirty percent of the area median  
2 income, and that require a supplement to rent income to cover ongoing  
3 operating expenses;

4 (d) Rental assistance vouchers, payable to a landlord, including  
5 rental assistance or vouchers for payment of first and last month's  
6 rent and security and other deposits required of all other new tenants  
7 by a landlord, for housing projects or units within housing projects  
8 that are affordable to very low-income persons with incomes at or below  
9 fifty percent of the area median income, to be administered (~~by a~~  
10 ~~local public housing authority or other local organization that has an~~  
11 ~~existing rental assistance voucher program,~~) consistent with the  
12 United States department of housing and urban development's section 8  
13 rental assistance voucher program standards regarding dwelling  
14 inspections, lease terms, affordability, eligibility for receiving  
15 rental assistance vouchers, and grounds for eviction and termination of  
16 receipt of voucher funds; and

17 ~~((d))~~ (e) Operating costs for emergency shelters and licensed  
18 overnight youth shelters.

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

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

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

26 (1) The purpose of a real estate research center in Washington  
27 state is to provide credible research, value-added information,  
28 education services, and project-oriented research to real estate  
29 licensees, real estate consumers, real estate service providers,  
30 institutional customers, public agencies, and communities in Washington  
31 state and the Pacific Northwest region. The center may:

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

34 (b) Conduct studies in all areas directly or indirectly related to  
35 real estate and urban or rural economics and economically isolated  
36 communities;

- 1 (c) Disseminate findings and results of real estate research  
2 conducted at or by the center or elsewhere, using a variety of  
3 dissemination media;
- 4 (d) Supply research results and educational expertise to the  
5 Washington state real estate commission to support its regulatory  
6 functions, as requested;
- 7 (e) Prepare information of interest to real estate consumers and  
8 make the information available to the general public, universities, or  
9 colleges, and appropriate state agencies;
- 10 (f) Encourage economic growth and development within the state of  
11 Washington;
- 12 (g) Support the professional development and continuing education  
13 of real estate licensees in Washington;
- 14 (h) Study and recommend changes in state statutes relating to real  
15 estate; and
- 16 (i) Develop a vacancy rate standard for low-income housing in the  
17 state.
- 18 (2) The director shall establish a memorandum of understanding with  
19 an institution of higher learning that establishes a real estate  
20 research center for the purposes under subsection (1) of this section.
- 21 (3) This section expires September 30, 2005.

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