
HOUSE BILL 2649

State of Washington 59th Legislature 2006 Regular Session

By Representatives Miloscia, Hasegawa, Upthegrove and Ormsby

Read first time 01/11/2006. Referred to Committee on Housing.

1 AN ACT Relating to providing affordable housing for all; amending
2 RCW 43.185B.030, 43.185B.040, 36.22.178, 43.185A.020, 43.185A.050,
3 43.185A.070, 43.185A.900, 35.82.080, 35.21.685, 35.21.687, 35.82.230,
4 36.34.135, 36.34.137, 36.70A.070, 43.20A.037, 43.63A.505, 43.63A.640,
5 43.63A.645, 43.330.110, 43.330.165, 43.330.170, 47.12.064, 59.28.010,
6 70.114A.010, 70.114A.040, 70.114A.085, 70.164.010, 70.164.050,
7 72.09.055, 43.63A.115, and 43.185B.020; reenacting and amending RCW
8 36.18.010; adding a new chapter to Title 43 RCW; creating a new
9 section; recodifying RCW 43.185A.020, 43.185A.030, 43.185A.040,
10 43.185A.050, 43.185A.060, 43.185A.070, 43.185A.080, 43.185A.900,
11 43.185A.901, 43.185A.902, 43.185B.010, 43.185B.020, 43.185B.030,
12 43.185B.040, 43.185B.900, 43.63A.660, 35.82.010, 35.82.030, 35.82.040,
13 35.82.045, 35.82.050, 35.82.060, 35.82.070, 35.82.076, 35.82.080,
14 35.82.090, 35.82.100, 35.82.110, 35.82.120, 35.82.130, 35.82.140,
15 35.82.150, 35.82.160, 35.82.170, 35.82.180, 35.82.190, 35.82.200,
16 35.82.210, 35.82.220, 35.82.230, 35.82.240, 35.82.250, 35.82.260,
17 35.82.270, 35.82.280, 35.82.285, 35.82.300, 35.82.320, 35.82.325,
18 35.82.900, 35.82.910, 43.185.010, 43.185.015, 43.185.020, 43.185.030,
19 43.185.050, 43.185.060, 43.185.070, 43.185.074, 43.185.076, 43.185.080,
20 43.185.090, 43.185.100, 43.185.110, 43.185.120, 43.185.900, 43.185.910,
21 59.28.010, 59.28.020, 59.28.030, 59.28.040, 59.28.050, 59.28.060,

1 59.28.070, 59.28.080, 59.28.090, 59.28.100, 59.28.120, 59.28.130,
2 59.28.900, 59.28.901, 59.28.902, 70.114.010, 70.114.020, 70.114A.010,
3 70.114A.020, 70.114A.030, 70.114A.040, 70.114A.045, 70.114A.050,
4 70.114A.060, 70.114A.065, 70.114A.070, 70.114A.081, 70.114A.085,
5 70.114A.100, 70.114A.110, 70.114A.900, 70.114A.901, 70.164.010,
6 70.164.020, 70.164.030, 70.164.040, 70.164.050, 70.164.060, 70.164.070,
7 and 70.164.900; repealing RCW 43.185B.005, 43.185B.007, 43.185B.009,
8 43.185A.010, and 35.82.020; and making an appropriation.

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

10 NEW SECTION. **Sec. 1.** (1) The legislature finds that there is a
11 large, unmet need for affordable housing in the state of Washington.
12 The legislature declares that a decent, appropriate, and affordable
13 home in a healthy, safe environment for every low-income household by
14 2020 is a goal for state and local governments and all housing
15 organizations and related vendors. Furthermore, this goal includes
16 increasing the percentage of low-income households who are able to
17 obtain and retain housing without government subsidies or other public
18 support.

19 (2) The legislature finds that the continual systematic collection
20 and rigorous evaluation of comprehensive data regarding the state's
21 affordable housing stock and persons requiring affordable housing is
22 critical to planning for and achieving the state's affordable housing
23 goal.

24 (3) The legislature finds that there are many root causes of the
25 affordable housing shortage and declares that it is critical that such
26 causes be analyzed, effective solutions be developed, implemented,
27 monitored, and evaluated, and that these causal factors be eliminated.
28 The legislature also finds that there is a taxpayer and societal cost
29 associated with a lack of living wage jobs and affordable housing and
30 that state and local governments must identify and quantify that cost.

31 (4) The legislature finds that the support and commitment of all
32 sectors of the statewide community is critical to accomplishing the
33 state's affordable housing for all goal. The legislature finds that
34 the provision of housing and housing-related services should be
35 administered at the local level. However, the state should play a
36 primary role in: Researching, evaluating, benchmarking, and

1 implementing best practices; continually updating and evaluating
2 statewide housing data; developing a statewide plan to achieve the
3 affordable housing for all goal; coordinating and supporting local
4 government plans and activities; and providing quality management by
5 monitoring both state and local government performance towards
6 achieving interim and ultimate goals.

7 (5) The legislature declares that the systematic and comprehensive
8 performance measurement and evaluation of progress toward interim goals
9 and the ultimate state affordable housing goal of a decent,
10 appropriate, and affordable home in a healthy, safe environment for
11 every low-income household in the state by 2020 is a necessary
12 component of the statewide effort to end the lack of affordable housing
13 crisis.

14 NEW SECTION. **Sec. 2.** This chapter may be known and cited as the
15 Washington affordable housing for all act.

16 NEW SECTION. **Sec. 3.** There is created within the department the
17 affordable housing for all program. The goal of the program is a
18 decent, appropriate, and affordable home in a healthy, safe environment
19 for every low-income household in the state by 2020. This goal
20 includes increasing the percentage of low-income households who access
21 affordable housing without government assistance by increasing the
22 number of households who achieve self-sufficiency and economic
23 independence. The goal also includes implementing strategies to slow
24 the rising cost of new housing. The program shall be developed and
25 administered by the department.

26 NEW SECTION. **Sec. 4.** Unless the context clearly requires
27 otherwise, the definitions in this section apply throughout this
28 chapter.

29 (1) "Affordable housing" means housing that has a sales price or
30 rental amount that is within the means of a household that may occupy
31 moderate-income or low-income housing. In the case of dwelling units
32 for rent, affordable housing means housing for which the affordable
33 rent and utilities do not exceed thirty percent of the gross annual
34 household income for a household below median income of the household
35 size that may occupy the particular unit. In the case of dwelling

1 units for sale, affordable housing means housing in which annual
2 housing costs do not exceed thirty percent of the gross annual
3 household income for a household below the median income of the
4 household size that may occupy the particular unit. The department
5 shall adopt policies for residential homeownership housing, occupied by
6 low-income households, that specify the percentage of household income
7 that may be spent on monthly housing costs, including utilities other
8 than telephone, to qualify as affordable housing.

9 (2) "Department" means the department of community, trade, and
10 economic development.

11 (3) "Director" means the director of the department of community,
12 trade, and economic development.

13 (4) "First-time home buyer" means an individual or his or her
14 spouse who have not owned a home during the three-year period prior to
15 purchase of a home.

16 (5) "Nonprofit organization" means any public or private nonprofit
17 organization that: (a) Is organized under federal, state, or local
18 laws; (b) has no part of its net earnings inuring to the benefit of any
19 member, founder, contributor, or individual; and (c) has among its
20 purposes, significant activities related to the provision of decent
21 housing that is affordable to very low-income, low-income, or moderate-
22 income households and special needs populations.

23 (6) "Regulatory barriers to affordable housing" and "regulatory
24 barriers" mean any public policies, including those embodied in
25 statutes, ordinances, regulations, or administrative procedures or
26 processes, required to be identified by the state or local government
27 in connection with its strategy under section 105(b)(4) of the
28 Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec. 12701
29 et seq.).

30 (7) "Affordable housing for all account" means the state treasury
31 account receiving the state's portion of income from the revenue of
32 sources established by section 20 of this act.

33 (8) "Local affordable housing task force" means a voluntary local
34 committee, as described in section 10 of this act, created to advise a
35 local government on the creation and updates of the local affordable
36 housing for all plan.

37 (9) "Performance measurement" means the process of comparing
38 specific measures of success with ultimate and interim goals.

1 (10) "Performance evaluation" means the process of evaluating the
2 performance by established objective, measurable criteria according to
3 the achievement of outlined goals, measures, targets, standards, or
4 other outcomes using a ranked scorecard from highest to lowest
5 performance which employs a scale of one to one hundred, one hundred
6 being the optimal score.

7 (11) "Quality management program" means a nationally recognized
8 program similar or equivalent to the Baldrige criteria. All local
9 governments receiving over four hundred thousand dollars from the
10 affordable housing for all program in RCW 36.22.178 and from the
11 surcharge in RCW 36.22.179 shall implement a quality management program
12 and shall apply to the Washington state quality award program once
13 every three years.

14 (12) "Affordable housing for all program" means the program
15 authorized under this chapter as administered by the department at the
16 state level and by the local government or its designated subcontractor
17 at the local level. The goal of the affordable housing for all program
18 is to provide every low-income household in Washington with a decent,
19 appropriate, and affordable home in a healthy, safe environment by
20 2020.

21 (13) "Affordable housing data base" means a master data base
22 created or purchased, implemented, and maintained by the department of
23 all existing housing stock which has received federal, state, or local
24 funds, funds from another nonprofit organization, financing through the
25 Washington housing finance commission, or which is privately owned,
26 meeting the conditions of section 6 of this act, and which is
27 affordable to households whose adjusted income is less than eighty
28 percent of the median household income, adjusted for household size for
29 the county where the project is located. The data base shall also
30 include information on other privately owned rental units provided
31 voluntarily by owners and landlords.

32 (14) "State affordable housing for all plan" means the plan
33 developed by the department in collaboration with the affordable
34 housing advisory board with the goal of ensuring every low-income
35 household in Washington has a decent, appropriate, and affordable home
36 in a healthy, safe environment by 2020. The plan must be updated
37 annually to reflect changes in affordable housing data, market changes,
38 and local government accomplishments and challenges.

1 (15) "Local affordable housing for all plan" means the plan
2 developed by each participating local government with the goal of
3 ensuring every low-income household in the local jurisdiction has a
4 decent, appropriate, and affordable home in a healthy, safe environment
5 by 2020.

6 (16) "Low-income household," for the purposes of the affordable
7 housing for all program, means a single person, family, or unrelated
8 persons living together whose adjusted income is less than eighty
9 percent of the median household income, adjusted for household size for
10 the county where the project is located.

11 (17) "Local government" means a county government in the state of
12 Washington, or a city government, if the legislative authority of the
13 city affirmatively elects to accept the responsibility for reaching the
14 goals of the affordable housing for all program within its borders.

15 (18) "Authority" or "housing authority" means any of the public
16 corporations created by RCW 35.82.030 (as recodified by this act).

17 (19) "City" means any city, town, or code city. "County" means any
18 county in the state. "The city" means the particular city for which a
19 particular housing authority is created. "The county" means the
20 particular county for which a particular housing authority is created.

21 (20) "Governing body" means, in the case of a city, the city
22 council or the commission and in the case of a county, the county
23 legislative authority.

24 (21) "Mayor" means the mayor of the city or the officer thereof
25 charged with the duties customarily imposed on the mayor or executive
26 head of the city.

27 (22) "Clerk" means the clerk of the city or the clerk of the county
28 legislative authority, as the case may be, or the officer charged with
29 the duties customarily imposed on such clerk.

30 (23) "Area of operation": (a) In the case of a housing authority
31 of a city, includes such city and the area within five miles from the
32 territorial boundaries thereof. However, the area of operation of a
33 housing authority of any city shall not include any area which lies
34 within the territorial boundaries of some other city; (b) in the case
35 of a housing authority of a county, includes all of the county except
36 that portion which lies within the territorial boundaries of any city.

37 (24) "Federal government" includes the United States of America,

1 the United States housing authority or any other agency or
2 instrumentality, corporate or otherwise, of the United States of
3 America.

4 (25) "Slum" means any area where dwellings predominate which, by
5 reason of dilapidation, overcrowding, lack of ventilation, light, or
6 sanitary facilities, or any combination of these factors, are
7 detrimental to safety, health, and morals.

8 (26) "Housing project" means any work or undertaking: (a) To
9 demolish, clear, or remove buildings from any slum area; such work or
10 undertaking may embrace the adaptation of such area to public purposes,
11 including parks or other recreational or community purposes; or (b) to
12 provide decent, safe, and sanitary urban or rural dwellings,
13 apartments, mobile home parks, or other living accommodations for
14 persons of low income; such work or undertaking may include the
15 rehabilitation of dwellings owned by persons of low income, and also
16 may include buildings, land, equipment, facilities, and other real or
17 personal property for necessary, convenient, or desirable
18 appurtenances, streets, sewers, water service, parks, site preparation,
19 gardening, administrative, community, health, recreational, welfare, or
20 other purposes; or (c) without limitation by implication, to provide
21 decent, safe, and sanitary urban and rural dwellings, apartments,
22 mobile home parks, or other living accommodations for senior citizens;
23 such work or undertaking may include buildings, land, equipment,
24 facilities, and other real or personal property for necessary,
25 convenient, or desirable appurtenances, streets, sewers, water service,
26 parks, site preparation, gardening, administrative, community, health,
27 recreational, welfare, or other purposes; or (d) to accomplish a
28 combination of the foregoing. "Housing project" may also apply to the
29 planning of the buildings and improvements, the acquisition of
30 property, the demolition of existing structures, the construction,
31 reconstruction, alteration, and repair of the improvements and all
32 other work in connection therewith.

33 (27) "Persons of low income," as only applied to housing
34 authorities, means persons or families who lack the amount of income
35 which is necessary (as determined by the authority undertaking the
36 housing project) to enable them, without financial assistance, to live
37 in decent, safe, and sanitary dwellings, without overcrowding.

1 (28) "Bonds" means any bonds, notes, interim certificates,
2 debentures, or other obligations issued by the authority under this
3 chapter.

4 (29) "Real property" includes all lands, including improvements and
5 fixtures thereon, and property of any nature appurtenant thereto, or
6 used in connection therewith, and every estate, interest, and right,
7 legal or equitable, therein, including terms for years and liens by way
8 of judgment, mortgage, or otherwise and the indebtedness secured by
9 such liens.

10 (30) "Obligee of the authority" or "obligee" includes any
11 bondholder, trustee or trustees for any bondholders, or lessor demising
12 to the authority property used in connection with a housing project, or
13 any assignee or assignees of such lessor's interest or any part
14 thereof, and the federal government when it is a party to any contract
15 with the authority.

16 (31) "Mortgage loan" means an interest-bearing obligation secured
17 by a mortgage.

18 (32) "Mortgage" means a mortgage deed, deed of trust, or other
19 instrument securing a mortgage loan and constituting a lien on real
20 property held in fee simple, or on a leasehold under a lease having a
21 remaining term at the time the mortgage is acquired of not less than
22 the term for repayment of the mortgage loan secured by the mortgage,
23 improved or to be improved by a housing project.

24 (33) "Senior citizen" means a person age sixty-two or older who is
25 determined by the authority to be poor or infirm but who is otherwise
26 in some manner able to provide the authority with revenue which
27 (together with all other available moneys, revenues, income, and
28 receipts of the authority, from whatever sources derived) will be
29 sufficient: (a) To pay, as the same become due, the principal and
30 interest on bonds of the authority; (b) to meet the cost of, and to
31 provide for, maintaining and operating projects (including the cost of
32 insurance) and administrative expenses of the authority; and (c) to
33 create (by not less than the six years immediately succeeding the
34 issuance of any bonds) a reserve sufficient to meet the principal and
35 interest payments which will be due on the bonds in any one year
36 thereafter and to maintain such reserve.

37 (34) "Commercial space" means space which, because of its proximity

1 to public streets, sidewalks, or other thoroughfares, is well suited
2 for commercial or office use. "Commercial space" includes, but is not
3 limited to, office as well as retail space.

4 (35) "Performance measurement" means the process of comparing
5 specific measures of success against ultimate and interim goals.

6 NEW SECTION. **Sec. 5.** The department shall develop definitions and
7 benchmarks for self-sufficiency, economic independence, and living
8 wages based on the conditions, needs, and abilities of different target
9 populations including special needs populations, youth, and the
10 elderly. The department shall take into consideration the differences
11 in populations, housing costs, and economies of the different counties
12 and shall provide county-specific definitions when necessary. The
13 department shall use these definitions to create performance measures
14 for local governments and shall report annually in the statewide plan
15 the results for each county, major city, and statewide.

16 NEW SECTION. **Sec. 6.** (1) The department shall create or purchase,
17 and implement a master affordable housing data base that includes
18 specific information about existing affordable housing stock in the
19 state of Washington by December 31, 2009. The data base shall be
20 maintained and continually updated by the department, and the
21 department may cross-reference and exchange information between this
22 data base and other existing state housing data bases.

23 (2) The data base shall include information on all units which meet
24 the affordable housing definition and have received or continue to
25 receive funding from the federal, state, or local government, or other
26 nonprofit organization or financing through the Washington housing
27 finance commission. The department shall encourage private landlords
28 to voluntarily submit information about private rental units that are
29 affordable for low-income households to be included in the data base.
30 All other private owners of rental units shall be encouraged to
31 voluntarily submit information about rental units that are affordable
32 for low-income households to be included in the data base.

33 (3) The data base shall include information about rental units that
34 shall be determined by the department; however, it must include, at a
35 minimum, measures for quality, cost, safety, and size. In addition to

1 other data points to be determined by the department, the following
2 data points may be collected for units entered into the data base:

3 (a) Cost of the housing unit that, in the case of rental units, may
4 include rent, average utility costs, security deposits, and any other
5 fees required of tenants;

6 (b) Size of the housing unit, including square footage, number of
7 bedrooms, and number of bathrooms;

8 (c) Specific target populations for the unit, if applicable,
9 including, units designed to serve or limited to serving the disabled,
10 the elderly, victims of domestic violence, families, individuals, or a
11 specific number of persons; and

12 (d) The current availability of the unit.

13 (4) Other state agencies, local governments, local public agencies,
14 including water and sewer districts, housing authorities, and other
15 housing organizations shall cooperate with the department to create and
16 update the affordable housing data base by providing to the department
17 any requested existing information about housing units within the
18 jurisdiction.

19 (5) The data base shall be searchable by the department, local
20 governments, community housing organizations, including housing
21 authorities, and the public, according to housing characteristics
22 determined by the department including, at a minimum, location, cost,
23 and size. The data base will be utilized for data collection about
24 Washington's affordable housing stock and will also serve as a low-
25 income housing referral system to connect low-income households seeking
26 housing with appropriate and available units.

27 (6) A summary of collected performance measurement data regarding
28 the housing stock and a corresponding analysis shall be presented
29 annually in the statewide plan required in RCW 43.185B.040 (as
30 recodified by this act). Local data shall also be included in the
31 local governments' updated affordable housing for all plans under
32 section 10 of this act. Information shall include, at a minimum, the
33 following:

34 (a) An inventory of the supply and geographic, including political
35 geography, distribution of affordable housing units for specific income
36 groups, including households making at or below the self-sufficiency or
37 living wage levels, as defined by the department, and those making at

1 or below eighty percent, fifty percent, and thirty percent of the
2 median household income adjusted for household size for the county
3 where the project is located, and other specific target populations;

4 (b) A calculation reflecting the increase or decrease in affordable
5 housing units from the previous twelve-month period; and

6 (c) The average market cost per square foot of units, statewide, in
7 each county, and for each major metropolitan area.

8 NEW SECTION. **Sec. 7.** The department shall conduct a study to
9 evaluate the potential development of a statewide, low-income
10 household, housing waiting list data base which would include
11 information on all low-income households requesting housing assistance
12 for the purpose of connecting such households with appropriate housing
13 opportunities. The study shall investigate and evaluate the following:

14 (1) The anticipated benefits of such a statewide waiting list to
15 low-income households and low-income housing providers;

16 (2) The cost of implementing and maintaining the data base; and

17 (3) Best practices from other states which currently have a similar
18 data base.

19 The department shall report the results of this study to the
20 appropriate committees of the legislature by December 31, 2007.

21 **Sec. 8.** RCW 43.185B.030 and 1993 c 478 s 6 are each amended to
22 read as follows:

23 The affordable housing advisory board shall:

24 (1) Analyze those solutions and programs that ~~((could begin to))~~
25 address the state's need for housing that is affordable for all
26 economic segments of the state, with an emphasis on low-income
27 populations and special needs populations, including, but not limited
28 to, initiatives, programs, or proposals which include recommendations
29 about or provide for:

30 (a) Financing for the acquisition, rehabilitation, preservation, or
31 construction of affordable housing in order to meet the state's
32 affordable housing and homelessness goals;

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

35 (c) Coordination of state initiatives with federal initiatives and
36 financing programs that are referenced in the Cranston-Gonzalez

1 national affordable housing act (42 U.S.C. Sec. 12701 et seq.), as
2 amended, and development of an approved housing strategy as required in
3 the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec.
4 12701 et seq.), as amended;

5 (d) Identification and removal, where appropriate and not
6 detrimental to the public health and safety, or environment, of state
7 and local regulatory barriers to the development and placement of
8 affordable housing;

9 (e) Goals and performance measures for stimulating public and
10 private sector cooperation in the development of affordable housing and
11 public and private sector support to reach affordable housing and
12 homelessness goals; and

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

16 (2) Consider both homeownership and rental housing as viable
17 options for the provision of housing. The advisory board shall give
18 consideration to various types of residential construction and
19 innovative housing options, including, but not limited to, manufactured
20 housing, and make annual recommendations related to the appropriate
21 type of housing given a variety of situations and needs;

22 (3) Review, evaluate, and make recommendations regarding existing
23 and proposed housing programs and initiatives including but not limited
24 to tax policies, land use policies, and financing programs(~~(.—The~~
25 ~~advisory board shall provide recommendations to the director, along~~
26 ~~with the department's response in the annual housing report to the~~
27 ~~legislature required in RCW 43.185B.040~~; and

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

32 (4) Annually evaluate the department's statewide affordable housing
33 for all plan; and

34 (5) Present its findings to the department and appropriate
35 committees of the legislature by October 31, 2007, and present annual
36 reports by October 31st of each subsequent year.

1 **Sec. 9.** RCW 43.185B.040 and 1993 c 478 s 12 are each amended to
2 read as follows:

3 (1) The department shall, in consultation with the affordable
4 housing advisory board created in RCW 43.185B.020 (as recodified by
5 this act), prepare and ~~((from time to time amend a five year))~~ update
6 annually an affordable housing ((advisory)) for all plan. The plan
7 includes the recommendations of the affordable housing advisory board
8 annual report required in RCW 43.185B.030 (as recodified by this act)
9 and must be coordinated with the state homeless housing strategic plan
10 required under RCW 43.185C.040. The plan shall be created by December
11 31, 2007, and updated by December 31st of each subsequent year. The
12 purpose of the plan is to document the unmet need for affordable
13 housing in the state and the extent to which that need is being met
14 through public and private sector programs, to outline the development
15 of sound strategies and programs for affordable housing, to establish,
16 evaluate, and report upon performance measures for the state and local
17 governments, and to facilitate state and local planning to meet the
18 state affordable housing ((needs of the state, and to enable the
19 development of sound strategies and programs for affordable housing))
20 goal of ensuring a decent, appropriate, and affordable home in a
21 healthy, safe environment for every low-income household in the state
22 by 2020.

23 (2) The information in the ~~((five year))~~ affordable housing
24 ~~((advisory))~~ for all plan must include:

25 (a) An assessment of the state's housing market trends;

26 (b) An assessment of the housing needs for all economic segments of
27 the state and special needs populations;

28 (c) An inventory of the supply and geographic distribution of
29 affordable housing units made available through public and private
30 sector programs;

31 (d) A status report on the degree of progress made by the public
32 and private sector toward meeting the housing needs of the state and
33 each local government jurisdiction;

34 (e) An identification of state and local regulatory barriers to
35 affordable housing and proposed regulatory and administrative
36 techniques designed to remove barriers to the development and placement
37 of affordable housing; ~~((and))~~

1 (f) Specific recommendations, policies, or proposals for meeting
2 the affordable housing needs of the state, including the
3 recommendations of the affordable housing advisory board annual report;

4 (g) Identification of key root causal factors of the affordable
5 housing shortage and the inability of low-income households to obtain
6 and retain appropriate housing, and identification of possible
7 preventative strategies and related performance measures. The list of
8 root causes shall include the cost of construction, other development
9 costs, the inadequacy of wages to enable low-income households to
10 obtain and retain housing, and financial management skills;

11 (h) A determination of the state cost of the affordable housing
12 shortage and the lack of living wage jobs;

13 (i) Interim goals and timelines that are determined by the
14 department and by which the state and local governments' performances
15 may be measured;

16 (j) Detailed timelines to accomplish the goal of a decent,
17 appropriate, and affordable home in a healthy, safe environment for
18 every low-income household in the state by 2020; and

19 (k) Performance measures that are determined by the department with
20 input required from the appropriate committees of the legislature,
21 which include, at a minimum, the following:

22 (i) Percentage increase of affordable housing needs being met
23 within each twelve-month period;

24 (ii) Percentage increase of families reaching self-sufficiency or
25 economic independence as defined by the department;

26 (iii) A measure of future sustainability of the affordable housing
27 stock;

28 (iv) A measure of increased collaboration and coordination among
29 public bodies and community stakeholders, and the level of community
30 support and participation;

31 (v) Percentage increase of living wage jobs, as defined by the
32 department; and

33 (vi) Implementation of local quality management programs.

34 ~~((2)(a))~~ (3) ~~The~~ ~~((five-year))~~ state affordable housing
35 ~~((advisory))~~ for all plan required under subsection (1) of this section
36 must be submitted to the appropriate committees of the legislature on
37 or before ~~((February 1, 1994))~~ December 31, 2007, and subsequent
38 updated plans must be submitted ~~((every five years))~~ annually by

1 December 31st thereafter, which shall include an annual progress report
2 detailing the extent to which the state's affordable housing needs were
3 met during the preceding year.

4 ~~((b) Each February 1st, beginning February 1, 1995, the department~~
5 ~~shall submit an annual progress report, to the legislature, detailing~~
6 ~~the extent to which the state's affordable housing needs were met~~
7 ~~during the preceding year and recommendations for meeting those needs))~~

8 (4) To guide local governments in preparation for their first local
9 affordable housing for all plan required under section 12 of this act,
10 the department shall issue, by December 31, 2007, guidelines for
11 preparing local affordable housing for all plans consistent with this
12 chapter. Local affordable housing for all plans shall be substantially
13 consistent with the goals and program recommendations of the state
14 affordable housing for all plan and shall include, at a minimum, the
15 same performance measures as described in subsection (2) of this
16 section.

17 (5) Based on the performance of local affordable housing for all
18 programs in meeting their interim goals on general population changes
19 and changes in the housing market, the department may revise the
20 performance measures and goals of the state affordable housing for all
21 plan, set goals for years following December 31, 2020, and recommend
22 changes in local affordable housing for all plans.

23 NEW SECTION. Sec. 10. Each participating local government shall
24 convene an affordable housing task force. The task force shall be a
25 voluntary local committee created to prepare and recommend to its local
26 government legislative authority an affordable housing for all plan and
27 also to decide upon expenditures of the funds created in this chapter.
28 The affordable housing task force shall include a representative of the
29 county, a representative of the largest city located within the county,
30 other members as may be required to maintain eligibility for federal
31 funding related to housing programs and services, and a representative
32 of a private nonprofit organization with experience in low-income
33 housing. The task force may be the same as the homeless housing task
34 force created in RCW 43.185C.160.

35 NEW SECTION. Sec. 11. (1) Each local affordable housing task
36 force shall prepare and recommend to its local government legislative

1 authority an affordable housing for all plan for its jurisdictional
2 area which must be consistent with the department's local plan
3 guidelines and the department's state affordable housing for all plan.
4 For local governments required or choosing to plan under RCW
5 36.70A.040, affordable housing for all plans shall be consistent with
6 housing elements of comprehensive plans described in RCW 36.70A.070(2).
7 Local plans need also be consistent with any existing local homeless
8 housing plan required in RCW 43.185C.050. Local affordable housing for
9 all plans shall be primarily focused on ensuring that every low-income
10 household in the local jurisdictional area has a decent, appropriate,
11 and affordable home in a healthy, safe environment by 2020 and on
12 increasing the percentage of low-income households that access
13 affordable housing without government assistance. The local affordable
14 housing for all plan shall include performance measures, including, at
15 a minimum, the same performance measures required of the state
16 affordable housing for all plan outlined in RCW 43.185B.040(2)(k) (as
17 recodified by this act), timelines for the accomplishment of interim
18 goals, targets, and projected financing appropriate for outlined goals.
19 Annual local plan updates shall include legislative recommendations.
20 Local governments shall adopt a plan by April 30, 2008, and update the
21 plan annually on or before April 30th. All plans must be forwarded to
22 the department on or before the date of adoption.

23 (2) The department shall conduct an annual performance evaluation
24 of local affordable housing for all plans. The department shall
25 present its performance evaluations to the appropriate committees of
26 the legislature on or before December 31st of each year beginning in
27 2008.

28 NEW SECTION. **Sec. 12.** Local governments shall report on
29 achievements, according to stated performance measures in the local
30 affordable housing for all plans, to the department annually by
31 December 1st. The department shall conduct an annual performance
32 evaluation of local governments according to their performance in
33 achieving stated affordable housing goals. The department shall
34 present the results of the performance evaluation in its annually
35 updated state affordable housing for all plan.

1 NEW SECTION. **Sec. 13.** (1) A county may decline to participate in
2 the program authorized in this chapter by forwarding to the department
3 a resolution adopted by the county legislative authority stating its
4 intention not to participate. A copy of the resolution shall be
5 transmitted to the county auditor and treasurer. If a resolution is
6 adopted, all of the funds otherwise due to the county under RCW
7 36.22.178 shall be remitted monthly to the state treasurer for deposit
8 in the affordable housing for all account, without any reduction by the
9 county for collecting or administering the funds. Upon receipt of the
10 resolution, the department shall promptly begin to identify and
11 contract with one or more entities to create and execute a local
12 affordable housing for all plan for the county meeting the requirements
13 of this chapter. The department shall utilize the county's portion of
14 the funds provided under section 18 of this act for this purpose. The
15 department shall expend all of the funds received from the county to
16 carry out the purposes of this chapter in the county, except that the
17 department may retain six percent of these funds to offset the cost of
18 managing the county's program.

19 (2) A resolution by the county declining to participate in the
20 program has no effect on the ability of each city in the county to
21 assert its right to manage its own program under this chapter, and the
22 county shall transmit to the city, every month, the funds due under RCW
23 36.18.010.

24 (3) A county that has declined to participate may participate in
25 the program authorized by this chapter by forwarding to the department
26 a resolution adopted by the county legislative authority stating the
27 intention to participate. The department shall determine a procedure
28 and appropriate timeline for the transfer of the program from a third-
29 party contractor to the county.

30 NEW SECTION. **Sec. 14.** Any city may assert responsibility for
31 reaching the goals of the affordable housing for all program within its
32 borders, if it so chooses, by forwarding a resolution to the
33 legislative authority of the county stating its intention and its
34 commitment to operate a separate affordable housing for all program.
35 If it so chooses, the city shall receive the portion of the funds
36 attributable to document recordings involving transactions within the
37 city. A city choosing to operate a separate affordable housing for all

1 program is responsible for complying with all of the same requirements
2 as counties and shall adopt an affordable housing for all plan meeting
3 the requirements of this chapter for local affordable housing for all
4 plans. The city may, by resolution of its legislative authority,
5 accept an appropriate portion of the county's affordable housing for
6 all plan as its own.

7 NEW SECTION. **Sec. 15.** Counties or participating cities may
8 subcontract with any other local government, housing authority,
9 community action agency, or other nonprofit organization for the
10 execution of programs contributing to the goal of ensuring a decent,
11 appropriate, and affordable home in a healthy, safe environment for
12 every low-income household in the local jurisdiction by 2020. All
13 subcontracts must be consistent with the local affordable housing for
14 all plan adopted by the legislative authority of the local government,
15 time limited, and filed with the department and have specific
16 performance terms as specified by the department. Each local
17 government shall evaluate all of its vendors that receive funding for
18 housing programs according to section 17 of this act. While a local
19 government has the authority to subcontract with other entities, the
20 local government continues to maintain the ultimate responsibility for
21 the affordable housing for all program within its borders.

22 **Sec. 16.** RCW 36.22.178 and 2005 c 484 s 18 are each amended to
23 read as follows:

24 (1) Except as provided in subsection (2) of this section, a
25 surcharge of ten dollars per instrument shall be charged by the county
26 auditor for each document recorded, which will be in addition to any
27 other charge authorized by law. The county may retain up to five
28 percent of these funds collected solely for the collection,
29 administration, and local distribution of these funds. Of the
30 remaining funds, ~~((forty))~~ thirty percent of the revenue generated
31 through this surcharge will be transmitted monthly to the state
32 treasurer who will deposit the funds into the ~~((Washington housing
33 trust account. The office of community development of the department
34 of community, trade, and economic development will develop guidelines
35 for the use of these funds to support))~~ affordable housing for all
36 account established in section 20 of this act. The department may use

1 these funds to accomplish the goals of this chapter including
2 activities related to planning, evaluating, data base creation and
3 management, and reporting. The department may also use these funds for
4 the following other purposes:

5 (a) To provide planning grants to local governments that receive
6 less than ten thousand dollars annually through revenue created by this
7 chapter for the purpose of the creation of local affordable housing for
8 all plans;

9 (b) To fund building operation and maintenance costs of housing
10 projects or units within housing projects that are affordable to
11 extremely low-income ((persons)) households with incomes at or below
12 thirty percent of the area median income, and that require a supplement
13 to rent income to cover ongoing operating expenses; and

14 (c) To provide technical assistance to any participating local
15 government that requests assistance. Technical assistance activities
16 may include:

17 (i) Assisting in identifying best practices from other areas;

18 (ii) Assisting in identifying additional funding sources for
19 specific projects;

20 (iii) Assisting local governments to identify appropriate service
21 providers with which the local government may subcontract for service
22 provision and development activities when necessary; and

23 (iv) Assisting local governments to implement a quality management
24 program.

25 (2) All of the remaining funds generated by this surcharge will be
26 retained by the county and be deposited into a fund that must be used
27 by the county and its cities and towns for programs and activities
28 outlined in the local affordable housing for all plan. Housing
29 projects or units within housing projects ((that are)) shall be
30 affordable ((to very)) low-income ((persons)) households with incomes
31 at or below ((fifty)) eighty percent of the area median income. The
32 portion of the surcharge retained by a county ((shall)) may be
33 allocated to ((very)) low-income housing projects or units within such
34 housing projects in the county and the cities within a county
35 ((according to an interlocal agreement between the county and the
36 cities within the county)), or for programs and services, consistent
37 with countywide and local housing needs and policies outlined in local
38 affordable housing for all plans. Local governments shall report upon

1 performance measures established by the department in an annual report
2 to the department as required in section 10 of this act. The funds
3 generated with this surcharge shall not be used for construction of new
4 housing if at any time the vacancy rate for available low-income
5 housing within the county rises above ten percent. The vacancy rate
6 for each county shall be developed using the state low-income vacancy
7 rate standard developed under subsection ~~((3))~~ (4) of this section.

8 Uses of these local funds are limited to:

9 (a) Acquisition, construction, or rehabilitation of housing
10 projects or units within housing projects that are affordable to
11 ~~((very))~~ low-income ~~((persons))~~ households with incomes at or below
12 ~~((fifty))~~ eighty percent of the area median income, including units for
13 homeownership, rental units, and single room occupancy units;

14 (b) Supporting building operation and maintenance costs of housing
15 projects or units within housing projects eligible to receive housing
16 trust funds, that are affordable to very low-income ~~((persons))~~
17 households with incomes at or below fifty percent of the area median
18 income, and that require a supplement to rent income to cover ongoing
19 operating expenses;

20 (c) Rental assistance vouchers for housing ~~((projects or))~~ units
21 ~~((within housing projects))~~ that are affordable to very low-income
22 ~~((persons))~~ households with incomes at or below fifty percent of the
23 area median income, to be administered by a local public housing
24 authority or other local organization that has an existing rental
25 assistance voucher program ~~((, consistent with the United States~~
26 ~~department of housing and urban development's section 8 rental~~
27 ~~assistance voucher program standards)).~~ The department shall develop
28 statewide guidelines for a rental assistance program by 2007; ~~((and))~~

29 (d) Operating costs for emergency shelters and licensed overnight
30 youth shelters.

31 (e) Programs and services consistent with the local affordable
32 housing for all plan; and

33 (f) Activities eligible under chapter 43.185C RCW.

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

36 (3) Local governments shall report upon expenditures of funds
37 created by this chapter to the department every month. The report

1 shall include the amount of funding allocated, a description of the
2 projects funded, and the outcome or anticipated outcome of each
3 project. The department shall create an electronic reporting system.

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

7 NEW SECTION. Sec. 17. Each local government shall conduct an
8 annual performance evaluation for each of its subcontractors or
9 grantees that receive funding for programs and projects to accomplish
10 the goals of this chapter and of the individual local government ending
11 homelessness plans based upon goals, performance measures, and
12 percentage of households obtaining economic independence, as defined by
13 the department, to be determined by the local governments and the
14 department which shall include the following, where applicable:

15 (1) Percentage of households prevented or diverted from
16 homelessness;

17 (2) Household engagement and responsibility;

18 (3) Household satisfaction with the program;

19 (4) Placement of households into temporary and permanent housing;

20 (5) Percentage of households obtaining permanent housing without
21 government assistance and percentage of households obtaining economic
22 independence, as defined by the department;

23 (6) Interagency coordination and cross-system collaboration;

24 (7) Quality and safety of housing units or services;

25 (8) Length of time households utilize government supported housing
26 programs;

27 (9) Community support for ending homelessness and raising wages;
28 and

29 (10) Productivity or efficiency of services or products.

30 NEW SECTION. Sec. 18. The sum of two million dollars, or as much
31 thereof as may be necessary, is appropriated for the fiscal year ending
32 June 30, 2007, from the general fund to the department of community,
33 trade, and economic development, for the purposes of accomplishing the
34 planning, data system creation, data collection, and program
35 implementation activities of this act. Of the two million dollars
36 appropriated, the department of community, trade, and economic

1 development shall distribute one million dollars to the participating
2 local governments using a formula to be determined by the department
3 and be used for local planning, data system creation, data collection,
4 and program implementation purposes.

5 NEW SECTION. **Sec. 19.** The department, the Washington housing
6 finance commission, the affordable housing advisory board, and all
7 participating local governments shall, by December 31, 2006, and
8 annually thereafter, review current housing reporting requirements
9 related to housing programs and services and give recommendations to
10 the legislature by December 31, 2006, to streamline and simplify all
11 reporting requirements.

12 NEW SECTION. **Sec. 20.** The affordable housing for all account is
13 created in the state treasury. The state's portion of the surcharge
14 established in RCW 36.22.178 shall be deposited in the account.
15 Expenditures from the account may only be used for the affordable
16 housing for all program as described in this chapter. Only the
17 director or the director's designee may authorize expenditures from the
18 account. The account is subject to allotment procedures under chapter
19 43.88 RCW, but an appropriation is not required for expenditures.

20 **Sec. 21.** RCW 36.18.010 and 2005 c 484 s 19 and 2005 c 374 s 1 are
21 each reenacted and amended to read as follows:

22 County auditors or recording officers shall collect the following
23 fees for their official services:

24 (1) For recording instruments, for the first page eight and one-
25 half by fourteen inches or less, five dollars; for each additional page
26 eight and one-half by fourteen inches or less, one dollar. The fee for
27 recording multiple transactions contained in one instrument will be
28 calculated for each transaction requiring separate indexing as required
29 under RCW 65.04.050 as follows: The fee for each title or transaction
30 is the same fee as the first page of any additional recorded document;
31 the fee for additional pages is the same fee as for any additional
32 pages for any recorded document; the fee for the additional pages may
33 be collected only once and may not be collected for each title or
34 transaction;

1 (2) For preparing and certifying copies, for the first page eight
2 and one-half by fourteen inches or less, three dollars; for each
3 additional page eight and one-half by fourteen inches or less, one
4 dollar;

5 (3) For preparing noncertified copies, for each page eight and one-
6 half by fourteen inches or less, one dollar;

7 (4) For administering an oath or taking an affidavit, with or
8 without seal, two dollars;

9 (5) For issuing a marriage license, eight dollars, (this fee
10 includes taking necessary affidavits, filing returns, indexing, and
11 transmittal of a record of the marriage to the state registrar of vital
12 statistics) plus an additional five-dollar fee for use and support of
13 the prevention of child abuse and neglect activities to be transmitted
14 monthly to the state treasurer and deposited in the state general fund
15 plus an additional ten-dollar fee to be transmitted monthly to the
16 state treasurer and deposited in the state general fund. The
17 legislature intends to appropriate an amount at least equal to the
18 revenue generated by this fee for the purposes of the displaced
19 homemaker act, chapter 28B.04 RCW;

20 (6) For searching records per hour, eight dollars;

21 (7) For recording plats, fifty cents for each lot except cemetery
22 plats for which the charge shall be twenty-five cents per lot; also one
23 dollar for each acknowledgment, dedication, and description: PROVIDED,
24 That there shall be a minimum fee of twenty-five dollars per plat;

25 (8) For recording of miscellaneous records not listed above, for
26 the first page eight and one-half by fourteen inches or less, five
27 dollars; for each additional page eight and one-half by fourteen inches
28 or less, one dollar;

29 (9) For modernization and improvement of the recording and indexing
30 system, a surcharge as provided in RCW 36.22.170;

31 (10) For recording an emergency nonstandard document as provided in
32 RCW 65.04.047, fifty dollars, in addition to all other applicable
33 recording fees;

34 (11) For recording instruments, a surcharge as provided in RCW
35 36.22.178; (~~and~~

36 ~~{(12)}~~) (12) For recording instruments, except for documents
37 recording a birth, marriage, divorce, or death or any documents

1 otherwise exempted from a recording fee under state law, a surcharge as
2 provided in RCW 36.22.179; and

3 (13) For recording instruments, a surcharge as provided in RCW
4 36.22.178.

5 NEW SECTION. **Sec. 22.** This chapter does not require either the
6 department or any local government to expend any funds to accomplish
7 the goals of this chapter other than the revenues authorized in this
8 act. However, neither the department nor any local government may use
9 any funds authorized in this act to supplant or reduce any existing
10 expenditures of public money to address the affordable housing
11 shortage.

12 NEW SECTION. **Sec. 23.** The joint legislative audit and review
13 committee shall conduct a performance audit of the affordable housing
14 for all programs every four years. The first audit shall be conducted
15 on or before December 31, 2009. Each audit shall take no longer than
16 six months or fifty thousand dollars to complete.

17 NEW SECTION. **Sec. 24.** (1) The department shall report annually on
18 counties planning under RCW 36.70A.040 to satisfy the affordable
19 housing requirements of this chapter.

20 (2) The report shall include:

21 (a) A performance evaluation of county compliance and results in
22 implementing adopted policies, comprehensive plans, and development
23 regulations pertaining to affordable housing; and

24 (b) A performance evaluation of county efforts in leveraging public
25 and private funds to provide, develop, and preserve affordable housing
26 to all.

27 (3) The report shall be included in the state affordable housing
28 for all plan.

29 NEW SECTION. **Sec. 25.** (1) The department, in collaboration with
30 the affordable housing advisory board, shall establish performance
31 measures for the housing assistance program. Performance measures
32 shall, at a minimum, include the following:

33 (a) Percentage of the affordable housing need met within the last
34 twelve-month period;

- 1 (b) Reduction of cost per unit developed;
2 (c) Percent increase in affordable units preserved; and
3 (d) Percent increase in other public and private funds leveraged.

4 (2) The department, in collaboration with the affordable housing
5 advisory board, shall establish individual performance measures for
6 housing assistance program grantees.

7 (3) The department shall include performance evaluations of
8 programs and projects financed by the housing assistance program in the
9 annual state affordable housing for all plan.

10 **Sec. 26.** RCW 43.185A.020 and 1995 c 399 s 103 are each amended to
11 read as follows:

12 The affordable housing for all program is created in the department
13 for the purpose of developing and coordinating public and private
14 resources targeted to meet the affordable housing needs of low-income
15 households in the state of Washington. The program shall be developed
16 and administered by the department with advice and input from the
17 affordable housing advisory board established in RCW 43.185B.020 (as
18 recodified by this act). The affordable housing program shall operate
19 in coordination with the state affordable housing for all program
20 established in section 3 of this act. Funding decisions made through
21 the affordable housing program shall be consistent with the
22 recommendations of the state affordable housing for all plan.

23 **Sec. 27.** RCW 43.185A.050 and 1991 c 356 s 14 are each amended to
24 read as follows:

25 (1) During each calendar year in which funds are available for use
26 by the department for the affordable housing program, the department
27 shall announce to all known interested parties, and through major media
28 throughout the state, a grant and loan application period of at least
29 ninety days' duration. This announcement shall be made as often as the
30 director deems appropriate for proper utilization of resources. The
31 department shall then promptly grant as many applications as will
32 utilize available funds less appropriate administrative costs of the
33 department, not to exceed five percent of moneys appropriated to the
34 affordable housing program.

35 (2) The department shall develop, with advice and input from the
36 (~~low income [housing] assistance~~) affordable housing advisory

1 ((committee)) board established in RCW 43.185.110 (as recodified by
2 this act), criteria to evaluate applications for assistance under this
3 chapter.

4 **Sec. 28.** RCW 43.185A.070 and 1991 c 356 s 16 are each amended to
5 read as follows:

6 The director shall monitor the activities of recipients of grants
7 and loans under this chapter to determine compliance with the terms and
8 conditions set forth in its application or stated by the department in
9 connection with the grant or loan. The department shall establish
10 performance measures upon which each grant or loan recipient must
11 report. The department shall conduct, at a minimum, annual performance
12 evaluations of all projects receiving affordable housing program
13 assistance. The department shall report on performance evaluations
14 annually in the updated state affordable housing for all plan.

15 **Sec. 29.** RCW 43.185A.900 and 1991 c 356 s 9 are each amended to
16 read as follows:

17 This chapter may be known and cited as the affordable housing for
18 all act.

19 **Sec. 30.** RCW 35.82.080 and 1989 c 363 s 3 are each amended to read
20 as follows:

21 It is hereby declared to be the policy of this state that each
22 housing authority shall manage and operate its housing projects in an
23 efficient manner so as to enable it to fix the rentals for low-income
24 dwelling accommodations at the lowest possible rates consistent with
25 its providing decent, safe and sanitary dwelling accommodations, and
26 that no housing authority shall construct or operate any such project
27 for profit, or as a source of revenue to the city or the county. Each
28 housing authority shall annually provide performance measurement data
29 on the attainment of these policy goals. To this end, an authority
30 shall fix the rentals for rental units for persons of low income in
31 projects owned or leased by the authority at no higher rates than it
32 shall find to be necessary in order to produce revenues which (together
33 with all other available moneys, revenues, income and receipts of the
34 authority from whatever sources derived) will be sufficient (1) to pay,
35 as the same become due, the principal and interest on the bonds or

1 other obligations of the authority issued or incurred to finance the
2 projects; (2) to meet the cost of, and to provide for, maintaining and
3 operating the projects (including the cost of any insurance) and the
4 administrative expenses of the authority; and (3) to create (during not
5 less than the six years immediately succeeding its issuance of any such
6 bonds) a reserve sufficient to meet the largest principal and interest
7 payments which will be due on such bonds in any one year thereafter and
8 to maintain such reserve. Nothing contained in this section shall be
9 construed to limit an authority's power to rent commercial space
10 located in buildings containing housing projects or non low-income
11 units owned, acquired, financed, or constructed under RCW 35.82.070(5),
12 (~~((+16))~~) (18), or (~~((+17))~~) (19) (as recodified by this act) at
13 profitable rates and to use any profit realized from such rentals in
14 carrying into effect the powers and purposes provided to housing
15 authorities under this chapter.

16 **Sec. 31.** RCW 35.21.685 and 1986 c 248 s 1 are each amended to read
17 as follows:

18 (1) A city or town may assist in the development or preservation of
19 publicly or privately owned housing for (~~((persons))~~) households of low
20 income by providing loans or grants of general municipal funds to the
21 owners or developers of the housing. The loans or grants shall be
22 authorized by the legislative authority of the city or town. They may
23 be made to finance all or a portion of the cost of construction,
24 reconstruction, acquisition, or rehabilitation of housing that will be
25 occupied by a (~~((person or family))~~) household of low income. As used in
26 this section, "low income" means income that does not exceed eighty
27 percent of the median income for the standard metropolitan statistical
28 area in which the city or town is located.

29 (2) Participating cities and towns shall report upon their efforts
30 annually to the department of community, trade, and economic
31 development housing division. Information from the report shall be
32 included in the state and local affordable housing for all plans.
33 Reports shall include the amount granted or loaned, the number of units
34 developed, and the amount of time the units are guaranteed as
35 affordable to low-income households. Cities and towns shall also
36 report upon performance measures to be determined by the department of

1 community, trade, and economic development, which include, at a
2 minimum:

3 (a) Percent reduction in the gap between the stock of housing
4 available and affordable to low-income households and the amount of
5 affordable housing needed for those households in each participating
6 municipality;

7 (b) Percent increase in rental and homeownership units available
8 and affordable to low-income households in each municipality; and

9 (c) Percent increase of local public and private fund investments
10 into affordable housing development.

11 (3) Housing constructed with loans or grants made under this
12 section shall not be considered public works or improvements subject to
13 competitive bidding or a purchase of services subject to the
14 prohibition against advance payment for services: PROVIDED, That
15 whenever feasible the borrower or grantee shall make every reasonable
16 and practicable effort to utilize a competitive public bidding process.

17 **Sec. 32.** RCW 35.21.687 and 1995 c 399 s 37 are each amended to
18 read as follows:

19 (1) Every city and town, including every code city operating under
20 Title 35A RCW, shall identify and catalog real property owned by the
21 city or town that is no longer required for its purposes and is
22 suitable for the development of affordable housing for very low-income,
23 low-income, and moderate-income households as defined in RCW
24 43.63A.510. The inventory shall include the location, approximate
25 size, and current zoning classification of the property. Every city
26 and town shall provide a copy of the inventory to the department of
27 community, trade, and economic development by November 1, 1993, with
28 inventory revisions each November 1st thereafter. The list of all
29 available property and a description of its suitability for low-income
30 housing shall be included in the local affordable housing for all plan
31 as required in section 11 of this act.

32 (2) By November 1st of each year, beginning in 1994, every city and
33 town, including every code city operating under Title 35A RCW, shall
34 purge the inventory of real property of sites that are no longer
35 available for the development of affordable housing. The inventory
36 revision shall also contain a list of real property that has become

1 available since the last update. As used in this section, "real
2 property" means buildings, land, or buildings and land.

3 (3) By November 1st of each year, beginning in 2007, the inventory
4 revision provided to the department of community, trade, and economic
5 development shall include a report on properties that were used, or are
6 in the process of being used, for the development of affordable
7 housing, according to guidelines developed by the department. The
8 report shall include the following information:

9 (a) The number of properties that were used for the development of
10 affordable housing;

11 (b) The number of rental units and the number of units for
12 homeownership produced on each of the properties;

13 (c) The population of low-income households for which each unit is
14 affordable, such as the number of affordable units for households whose
15 income does not exceed eighty percent, fifty percent, and thirty
16 percent of the median income for the standard metropolitan statistical
17 area; and

18 (d) The length of time each unit is guaranteed to remain affordable
19 to the population at the income level it was intended to house.

20 (4) The department of community, trade, and economic development
21 shall consolidate municipal reports required in subsection (3) of this
22 section into a single statewide report that is provided to the
23 appropriate committees of the legislature each year by December 31,
24 2007.

25 **Sec. 33.** RCW 35.82.230 and 1965 c 7 s 35.82.230 are each amended
26 to read as follows:

27 At least once a year, an authority shall file with the clerk a
28 report of its activities for the preceding year, and shall make
29 recommendations with reference to such additional legislation or other
30 action as it deems necessary in order to carry out the purposes of this
31 chapter. This report shall be integrated into the local affordable
32 housing for all plan as required under section 10 of this act.

33 NEW SECTION. **Sec. 34.** Every year, beginning in 2007, the
34 department of community, trade, and economic development shall conduct
35 a performance evaluation of housing authorities that have received

1 funding from the state or financing through the Washington housing
2 finance commission for housing projects during the previous twenty-four
3 months.

4 **Sec. 35.** RCW 36.34.135 and 1993 c 461 s 6 are each amended to read
5 as follows:

6 If a county owns property that is located anywhere within the
7 county, including within the limits of a city or town, and that is
8 suitable for affordable housing, the legislative authority of the
9 county may, by negotiation, lease the property for affordable housing
10 for a term not to exceed seventy-five years to any public housing
11 authority or nonprofit organization that has demonstrated its ability
12 to construct or operate housing for very low-income, low-income, or
13 moderate-income households as defined in RCW 43.63A.510 and special
14 needs populations. Leases for housing for very low-income, low-income,
15 or moderate-income households and special needs populations shall not
16 be subject to any requirement of periodic rental adjustments, as
17 provided in RCW 36.34.180, but shall provide for such fixed annual
18 rents as appear reasonable considering the public, social, and health
19 benefits to be derived by providing an adequate supply of safe and
20 sanitary housing for very low-income, low-income, or moderate-income
21 households and special needs populations. A report on all properties
22 utilized for low-income housing projects must be included in the local
23 affordable housing for all plan as required under section 10 of this
24 act.

25 **Sec. 36.** RCW 36.34.137 and 1993 c 461 s 5 are each amended to read
26 as follows:

27 (1) Every county shall identify and catalog real property owned by
28 the county that is no longer required for its purposes and is suitable
29 for the development of affordable housing for very low-income, low-
30 income, and moderate-income households as defined in RCW 43.63A.510.
31 The inventory shall include the location, approximate size, and current
32 zoning classification of the property. Every county shall provide a
33 copy of the inventory to the department of community, trade, and
34 economic development by November 1, 1993, with inventory revisions each
35 November 1st thereafter. The list of all available property and a

1 description of its suitability for low-income housing shall be included
2 in the local affordable housing for all plan as required under section
3 10 of this act.

4 (2) By November 1st of each year, beginning in 1994, every county
5 shall purge the inventory of real property of sites that are no longer
6 available for the development of affordable housing. The inventory
7 revision shall include an updated listing of real property that has
8 become available since the last update. As used in this section, "real
9 property" means buildings, land, or buildings and land.

10 (3) By November 1st of each year, beginning in 2006, the inventory
11 revision provided to the department of community, trade, and economic
12 development shall include a report on properties that were used, or are
13 in the process of being used, for the development of affordable
14 housing. The report shall include the following information:

15 (a) The number of properties that were used for the development of
16 affordable housing;

17 (b) The number of rental units and the number of units for
18 homeownership produced on each of the properties;

19 (c) The population of low-income households for which each unit is
20 affordable, such as the number of affordable units for households whose
21 income does not exceed eighty percent, fifty percent, and thirty
22 percent of the median income for the standard metropolitan statistical
23 area; and

24 (d) The length of time each unit is guaranteed to remain affordable
25 to the population at the income level it was intended to house.

26 (4) The department of community, trade, and economic development
27 shall consolidate municipal reports required in subsection (3) of this
28 section into a single statewide report that is provided to the
29 appropriate committees of the legislature each year by December 31,
30 2007.

31 **Sec. 37.** RCW 36.70A.070 and 2005 c 360 s 2 are each amended to
32 read as follows:

33 The comprehensive plan of a county or city that is required or
34 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,
35 and descriptive text covering objectives, principles, and standards
36 used to develop the comprehensive plan. The plan shall be an

1 internally consistent document and all elements shall be consistent
2 with the future land use map. A comprehensive plan shall be adopted
3 and amended with public participation as provided in RCW 36.70A.140.

4 Each comprehensive plan shall include a plan, scheme, or design for
5 each of the following:

6 (1) A land use element designating the proposed general
7 distribution and general location and extent of the uses of land, where
8 appropriate, for agriculture, timber production, housing, commerce,
9 industry, recreation, open spaces, general aviation airports, public
10 utilities, public facilities, and other land uses. The land use
11 element shall include population densities, building intensities, and
12 estimates of future population growth. The land use element shall
13 provide for protection of the quality and quantity of ground water used
14 for public water supplies. Wherever possible, the land use element
15 should consider utilizing urban planning approaches that promote
16 physical activity. Where applicable, the land use element shall review
17 drainage, flooding, and storm water run-off in the area and nearby
18 jurisdictions and provide guidance for corrective actions to mitigate
19 or cleanse those discharges that pollute waters of the state, including
20 Puget Sound or waters entering Puget Sound.

21 (2) A housing element ensuring the vitality and character of
22 established residential neighborhoods that: (a) Includes an inventory
23 and analysis of existing and projected housing needs that identifies
24 the number of housing units necessary to manage projected growth; (b)
25 includes a statement of goals, performance measures with targets and
26 dates, policies, objectives, and mandatory provisions for the
27 preservation, improvement, and development of housing for all economic
28 segments of the community, including single-family residences and
29 affordable rental housing; (c) identifies sufficient land for housing,
30 including, but not limited to, government-assisted housing, housing for
31 low-income families, manufactured housing, multifamily housing, and
32 group homes and foster care facilities; and (d) makes adequate
33 provisions for existing and projected needs of all economic segments of
34 the community. The housing element shall be coordinated and consistent
35 with any existing local government affordable housing for all plan,
36 shall include the goal of a decent, appropriate, and affordable home in
37 a healthy, safe environment for every low-income household by 2020, and

1 shall include equivalent performance measures as described in RCW
2 43.185B.040(2)(k) (as recodified by this act).

3 (3) A capital facilities plan element consisting of: (a) An
4 inventory of existing capital facilities owned by public entities,
5 showing the locations and capacities of the capital facilities; (b) a
6 forecast of the future needs for such capital facilities; (c) the
7 proposed locations and capacities of expanded or new capital
8 facilities; (d) at least a six-year plan that will finance such capital
9 facilities within projected funding capacities and clearly identifies
10 sources of public money for such purposes; and (e) a requirement to
11 reassess the land use element if probable funding falls short of
12 meeting existing needs and to ensure that the land use element, capital
13 facilities plan element, and financing plan within the capital
14 facilities plan element are coordinated and consistent. Park and
15 recreation facilities shall be included in the capital facilities plan
16 element.

17 (4) A utilities element consisting of the general location,
18 proposed location, and capacity of all existing and proposed utilities,
19 including, but not limited to, electrical lines, telecommunication
20 lines, and natural gas lines.

21 (5) Rural element. Counties shall include a rural element
22 including lands that are not designated for urban growth, agriculture,
23 forest, or mineral resources. The following provisions shall apply to
24 the rural element:

25 (a) Growth management act goals and local circumstances. Because
26 circumstances vary from county to county, in establishing patterns of
27 rural densities and uses, a county may consider local circumstances,
28 but shall develop a written record explaining how the rural element
29 harmonizes the planning goals in RCW 36.70A.020 and meets the
30 requirements of this chapter.

31 (b) Rural development. The rural element shall permit rural
32 development, forestry, and agriculture in rural areas. The rural
33 element shall provide for a variety of rural densities, uses, essential
34 public facilities, and rural governmental services needed to serve the
35 permitted densities and uses. To achieve a variety of rural densities
36 and uses, counties may provide for clustering, density transfer, design
37 guidelines, conservation easements, and other innovative techniques

1 that will accommodate appropriate rural densities and uses that are not
2 characterized by urban growth and that are consistent with rural
3 character.

4 (c) Measures governing rural development. The rural element shall
5 include measures that apply to rural development and protect the rural
6 character of the area, as established by the county, by:

7 (i) Containing or otherwise controlling rural development;

8 (ii) Assuring visual compatibility of rural development with the
9 surrounding rural area;

10 (iii) Reducing the inappropriate conversion of undeveloped land
11 into sprawling, low-density development in the rural area;

12 (iv) Protecting critical areas, as provided in RCW 36.70A.060, and
13 surface water and ground water resources; and

14 (v) Protecting against conflicts with the use of agricultural,
15 forest, and mineral resource lands designated under RCW 36.70A.170.

16 (d) Limited areas of more intensive rural development. Subject to
17 the requirements of this subsection and except as otherwise
18 specifically provided in this subsection (5)(d), the rural element may
19 allow for limited areas of more intensive rural development, including
20 necessary public facilities and public services to serve the limited
21 area as follows:

22 (i) Rural development consisting of the infill, development, or
23 redevelopment of existing commercial, industrial, residential, or
24 mixed-use areas, whether characterized as shoreline development,
25 villages, hamlets, rural activity centers, or crossroads developments.

26 (A) A commercial, industrial, residential, shoreline, or mixed-use
27 area shall be subject to the requirements of (d)(iv) of this
28 subsection, but shall not be subject to the requirements of (c)(ii) and
29 (iii) of this subsection.

30 (B) Any development or redevelopment other than an industrial area
31 or an industrial use within a mixed-use area or an industrial area
32 under this subsection (5)(d)(i) must be principally designed to serve
33 the existing and projected rural population.

34 (C) Any development or redevelopment in terms of building size,
35 scale, use, or intensity shall be consistent with the character of the
36 existing areas. Development and redevelopment may include changes in
37 use from vacant land or a previously existing use so long as the new
38 use conforms to the requirements of this subsection (5);

1 (ii) The intensification of development on lots containing, or new
2 development of, small-scale recreational or tourist uses, including
3 commercial facilities to serve those recreational or tourist uses, that
4 rely on a rural location and setting, but that do not include new
5 residential development. A small-scale recreation or tourist use is
6 not required to be principally designed to serve the existing and
7 projected rural population. Public services and public facilities
8 shall be limited to those necessary to serve the recreation or tourist
9 use and shall be provided in a manner that does not permit low-density
10 sprawl;

11 (iii) The intensification of development on lots containing
12 isolated nonresidential uses or new development of isolated cottage
13 industries and isolated small-scale businesses that are not principally
14 designed to serve the existing and projected rural population and
15 nonresidential uses, but do provide job opportunities for rural
16 residents. Rural counties may allow the expansion of small-scale
17 businesses as long as those small-scale businesses conform with the
18 rural character of the area as defined by the local government
19 according to RCW 36.70A.030(~~((+14))~~) (15). Rural counties may also
20 allow new small-scale businesses to utilize a site previously occupied
21 by an existing business as long as the new small-scale business
22 conforms to the rural character of the area as defined by the local
23 government according to RCW 36.70A.030(~~((+14))~~) (15). Public services
24 and public facilities shall be limited to those necessary to serve the
25 isolated nonresidential use and shall be provided in a manner that does
26 not permit low-density sprawl;

27 (iv) A county shall adopt measures to minimize and contain the
28 existing areas or uses of more intensive rural development, as
29 appropriate, authorized under this subsection. Lands included in such
30 existing areas or uses shall not extend beyond the logical outer
31 boundary of the existing area or use, thereby allowing a new pattern of
32 low-density sprawl. Existing areas are those that are clearly
33 identifiable and contained and where there is a logical boundary
34 delineated predominately by the built environment, but that may also
35 include undeveloped lands if limited as provided in this subsection.
36 The county shall establish the logical outer boundary of an area of
37 more intensive rural development. In establishing the logical outer
38 boundary the county shall address (A) the need to preserve the

1 character of existing natural neighborhoods and communities, (B)
2 physical boundaries such as bodies of water, streets and highways, and
3 land forms and contours, (C) the prevention of abnormally irregular
4 boundaries, and (D) the ability to provide public facilities and public
5 services in a manner that does not permit low-density sprawl;

6 (v) For purposes of (d) of this subsection, an existing area or
7 existing use is one that was in existence:

8 (A) On July 1, 1990, in a county that was initially required to
9 plan under all of the provisions of this chapter;

10 (B) On the date the county adopted a resolution under RCW
11 36.70A.040(2), in a county that is planning under all of the provisions
12 of this chapter under RCW 36.70A.040(2); or

13 (C) On the date the office of financial management certifies the
14 county's population as provided in RCW 36.70A.040(5), in a county that
15 is planning under all of the provisions of this chapter pursuant to RCW
16 36.70A.040(5).

17 (e) Exception. This subsection shall not be interpreted to permit
18 in the rural area a major industrial development or a master planned
19 resort unless otherwise specifically permitted under RCW 36.70A.360 and
20 36.70A.365.

21 (6) A transportation element that implements, and is consistent
22 with, the land use element.

23 (a) The transportation element shall include the following
24 subelements:

25 (i) Land use assumptions used in estimating travel;

26 (ii) Estimated traffic impacts to state-owned transportation
27 facilities resulting from land use assumptions to assist the department
28 of transportation in monitoring the performance of state facilities, to
29 plan improvements for the facilities, and to assess the impact of land-
30 use decisions on state-owned transportation facilities;

31 (iii) Facilities and services needs, including:

32 (A) An inventory of air, water, and ground transportation
33 facilities and services, including transit alignments and general
34 aviation airport facilities, to define existing capital facilities and
35 travel levels as a basis for future planning. This inventory must
36 include state-owned transportation facilities within the city or
37 county's jurisdictional boundaries;

1 (B) Level of service standards for all locally owned arterials and
2 transit routes to serve as a gauge to judge performance of the system.
3 These standards should be regionally coordinated;

4 (C) For state-owned transportation facilities, level of service
5 standards for highways, as prescribed in chapters 47.06 and 47.80 RCW,
6 to gauge the performance of the system. The purposes of reflecting
7 level of service standards for state highways in the local
8 comprehensive plan are to monitor the performance of the system, to
9 evaluate improvement strategies, and to facilitate coordination between
10 the county's or city's six-year street, road, or transit program and
11 the department of transportation's six-year investment program. The
12 concurrency requirements of (b) of this subsection do not apply to
13 transportation facilities and services of statewide significance except
14 for counties consisting of islands whose only connection to the
15 mainland are state highways or ferry routes. In these island counties,
16 state highways and ferry route capacity must be a factor in meeting the
17 concurrency requirements in (b) of this subsection;

18 (D) Specific actions and requirements for bringing into compliance
19 locally owned transportation facilities or services that are below an
20 established level of service standard;

21 (E) Forecasts of traffic for at least ten years based on the
22 adopted land use plan to provide information on the location, timing,
23 and capacity needs of future growth;

24 (F) Identification of state and local system needs to meet current
25 and future demands. Identified needs on state-owned transportation
26 facilities must be consistent with the statewide multimodal
27 transportation plan required under chapter 47.06 RCW;

28 (iv) Finance, including:

29 (A) An analysis of funding capability to judge needs against
30 probable funding resources;

31 (B) A multiyear financing plan based on the needs identified in the
32 comprehensive plan, the appropriate parts of which shall serve as the
33 basis for the six-year street, road, or transit program required by RCW
34 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795
35 for public transportation systems. The multiyear financing plan should
36 be coordinated with the (~~six~~) ten-year improvement program developed
37 by the department of transportation as required by RCW 47.05.030;

1 (C) If probable funding falls short of meeting identified needs, a
2 discussion of how additional funding will be raised, or how land use
3 assumptions will be reassessed to ensure that level of service
4 standards will be met;

5 (v) Intergovernmental coordination efforts, including an assessment
6 of the impacts of the transportation plan and land use assumptions on
7 the transportation systems of adjacent jurisdictions;

8 (vi) Demand-management strategies;

9 (vii) Pedestrian and bicycle component to include collaborative
10 efforts to identify and designate planned improvements for pedestrian
11 and bicycle facilities and corridors that address and encourage
12 enhanced community access and promote healthy lifestyles.

13 (b) After adoption of the comprehensive plan by jurisdictions
14 required to plan or who choose to plan under RCW 36.70A.040, local
15 jurisdictions must adopt and enforce ordinances which prohibit
16 development approval if the development causes the level of service on
17 a locally owned transportation facility to decline below the standards
18 adopted in the transportation element of the comprehensive plan, unless
19 transportation improvements or strategies to accommodate the impacts of
20 development are made concurrent with the development. These strategies
21 may include increased public transportation service, ride sharing
22 programs, demand management, and other transportation systems
23 management strategies. For the purposes of this subsection (6)
24 "concurrent with the development" shall mean that improvements or
25 strategies are in place at the time of development, or that a financial
26 commitment is in place to complete the improvements or strategies
27 within six years.

28 (c) The transportation element described in this subsection (6),
29 and the six-year plans required by RCW 35.77.010 for cities, RCW
30 36.81.121 for counties, and RCW 35.58.2795 for public transportation
31 systems, and the ten-year plan required by RCW 47.05.030 for the state,
32 must be consistent.

33 (7) An economic development element establishing local goals,
34 policies, objectives, and provisions for economic growth and vitality
35 and a high quality of life. The element shall include: (a) A summary
36 of the local economy such as population, employment, payroll, sectors,
37 businesses, sales, and other information as appropriate; (b) a summary
38 of the strengths and weaknesses of the local economy defined as the

1 commercial and industrial sectors and supporting factors such as land
2 use, transportation, utilities, education, work force, housing, and
3 natural/cultural resources; and (c) an identification of policies,
4 programs, and projects to foster economic growth and development and to
5 address future needs. A city that has chosen to be a residential
6 community is exempt from the economic development element requirement
7 of this subsection.

8 (8) A park and recreation element that implements, and is
9 consistent with, the capital facilities plan element as it relates to
10 park and recreation facilities. The element shall include: (a)
11 Estimates of park and recreation demand for at least a ten-year period;
12 (b) an evaluation of facilities and service needs; and (c) an
13 evaluation of intergovernmental coordination opportunities to provide
14 regional approaches for meeting park and recreational demand.

15 (9) It is the intent that new or amended elements required after
16 January 1, 2002, be adopted concurrent with the scheduled update
17 provided in RCW 36.70A.130. Requirements to incorporate any such new
18 or amended elements shall be null and void until funds sufficient to
19 cover applicable local government costs are appropriated and
20 distributed by the state at least two years before local government
21 must update comprehensive plans as required in RCW 36.70A.130.

22 **Sec. 38.** RCW 43.20A.037 and 1995 c 399 s 65 are each amended to
23 read as follows:

24 (1) The department shall identify and catalog real property that is
25 no longer required for department purposes and is suitable for the
26 development of affordable housing for very low-income, and moderate-
27 income households as defined in RCW 43.63A.510. The inventory shall
28 include the location, approximate size, and current zoning
29 classification of the property. The department shall provide a copy of
30 the inventory to the department of community, trade, and economic
31 development by November 1, 1993, and every November 1st thereafter.
32 The list of all available property and a description of its suitability
33 for low-income housing shall be included in the state affordable
34 housing for all plan as required in RCW 43.185B.040 (as recodified by
35 this act).

36 (2) By November 1st of each year, beginning in 1994, the department
37 shall purge the inventory of real property of sites that are no longer

1 available for the development of affordable housing. The department
2 shall include an updated listing of real property that has become
3 available since the last update. As used in this section, "real
4 property" means buildings, land, or buildings and land.

5 (3) By November 1st of each year, beginning in 2006, the inventory
6 revision produced by the department shall include a report on
7 properties that were used, or are in the process of being used, for the
8 development of affordable housing. The report shall include the
9 following information:

10 (a) The number of properties that were used for the development of
11 affordable housing;

12 (b) The number of rental units and the number of units for
13 homeownership produced on each of the properties;

14 (c) The population of low-income households for which each unit is
15 affordable, such as the number of affordable units for households whose
16 income does not exceed eighty percent, fifty percent, and thirty
17 percent of the median income for the standard metropolitan statistical
18 area; and

19 (d) The length of time each unit is guaranteed to remain affordable
20 to the population at the income level it was intended to house.

21 (4) The department of community, trade, and economic development
22 shall produce a single statewide report which will be included in its
23 state affordable housing for all plan.

24 **Sec. 39.** RCW 43.63A.505 and 1999 c 164 s 202 are each amended to
25 read as follows:

26 (1) The department shall establish and administer a "one-stop
27 clearinghouse" to coordinate state assistance for growers and nonprofit
28 organizations in developing housing for agricultural employees.
29 Growers, housing authorities, and nonprofit organizations shall have
30 direct access to the one-stop clearinghouse. The department one-stop
31 clearinghouse shall provide assistance on planning and design, building
32 codes, temporary worker housing regulations, financing options, and
33 management to growers and nonprofit organizations interested in
34 farmworker construction. The department one-stop clearinghouse shall
35 also provide educational materials and services to local government
36 authorities on Washington state law concerning farmworker housing.

1 (2) The department shall report on the performance of the one-stop
2 clearinghouse by December 31st of each year as part of its report on
3 the state affordable housing for all program and shall make
4 recommendations for improvement. Performance measures for all state-
5 supported farmworker housing activities shall be included in the state
6 affordable housing for all plan. The performance measures to be
7 included in the report are the following, at a minimum:

8 (a) Percent of farmworker housing developed within the last twelve-
9 month period that received assistance from the one-stop clearinghouse;

10 (b) Percent of farmworker housing need met in the state;

11 (c) Percent of farmworker housing developed within the last twelve-
12 month period that complies with building codes and temporary worker
13 housing regulations; and

14 (d) Amount leveraged in public and private dollars for the
15 development of farmworker housing within the last twelve-month period.

16 **Sec. 40.** RCW 43.63A.640 and 1994 c 114 s 5 are each amended to
17 read as follows:

18 The department shall carry out the following duties:

19 (1) Administer the program;

20 (2) Identify organizations eligible to receive funds to implement
21 the program;

22 (3) Develop and adopt the necessary rules and procedures for
23 implementation of the program and for dispersal of program funds to
24 eligible organizations;

25 (4) Establish performance measures for the program to include the
26 following:

27 (a) Percentage of households that retained housing due to the
28 program's intervention; and

29 (b) Percentage of on-time loan payments during the last twelve-
30 month period.

31 (5) Establish the interest rate for repayment of loans at two
32 percent below the market rate;

33 ~~((+5))~~ (6) Work with lending institutions and social service
34 providers in the eligible communities to assure that all eligible
35 persons are informed about the program;

36 ~~((+6))~~ (7) Utilize federal and state programs that complement or
37 facilitate carrying out the program;

1 (~~(7)~~) (8) Ensure that local eligible organizations that dissolve
2 or become ineligible assign their program funds, rights to loan
3 repayments, and loan security instruments, to the government of the
4 county in which the local organization is located. If the county
5 government accepts the program assets described in this subsection, it
6 shall act as a local eligible organization under the provisions of RCW
7 (~~43.63A.600 through~~) 43.63A.640. If the county government declines
8 to participate, the program assets shall revert to the department;
9 (9) Include activities, performance measures, and outcomes of
10 activities of the program in the state affordable housing for all plan.

11 **Sec. 41.** RCW 43.63A.645 and 1999 c 267 s 5 are each amended to
12 read as follows:

13 The department shall, by rule, establish program standards,
14 performance measures, eligibility standards, eligibility criteria, and
15 administrative rules for emergency housing programs and specify other
16 benefits that may arise in consultation with providers.

17 **Sec. 42.** RCW 43.330.110 and 1993 c 280 s 14 are each amended to
18 read as follows:

19 (1) The department shall maintain an active effort to help
20 communities, families, and individuals build and maintain capacity to
21 meet housing needs in Washington state. The department shall
22 facilitate partnerships among the many entities related to housing
23 issues and leverage a variety of resources and services to produce
24 comprehensive, cost-effective, and innovative housing solutions.

25 (2) The department shall assist in the production, development,
26 rehabilitation, and operation of owner-occupied or rental housing for
27 very low, low, and moderate-income persons; operate programs to assist
28 home ownership, offer housing services, and provide emergency,
29 transitional, and special needs housing services; and qualify as a
30 participating state agency for all programs of the federal department
31 of housing and urban development or its successor. The department
32 shall develop or assist local governments in developing housing plans
33 required by the state or federal government.

34 (3) The department shall coordinate and administer energy
35 assistance and residential energy conservation and rehabilitation

1 programs of the federal and state government through nonprofit
2 organizations, local governments, and housing authorities.

3 (4) The department shall include information on its activities,
4 outcomes, and performance measures in the state affordable housing for
5 all plan.

6 **Sec. 43.** RCW 43.330.165 and 1998 c 37 s 8 are each amended to read
7 as follows:

8 (1) The department shall work with the advisory group established
9 in subsection (2) of this section to review proposals and make
10 prioritized funding recommendations to the department or funding
11 approval board that oversees the distribution of housing trust fund
12 grants and loans to be used for the development, maintenance, and
13 operation of housing for low-income farmworkers.

14 (2) A farmworker housing advisory group representing growers,
15 farmworkers, and other interested parties shall be formed to assist the
16 department in the review and priority funding recommendations under
17 this section.

18 (3) The department shall establish performance measures for
19 farmworker programs receiving state funding to include the following:

20 (a) Percentage of need for farmworker housing met within the last
21 twelve-month period; and

22 (b) Percentage of farmworkers who have obtained permanent housing.

23 (4) The department shall include farmworker housing performance
24 measures in its state affordable housing for all plan.

25 **Sec. 44.** RCW 43.330.170 and 2002 c 294 s 4 are each amended to
26 read as follows:

27 The office of community development of the department of community,
28 trade, and economic development is directed to conduct a statewide
29 housing market analysis by region. The purpose of the analysis is to
30 identify areas of greatest need for the appropriate investment of state
31 affordable housing funds, using vacancy data and other appropriate
32 measures of need for low-income housing. The analysis shall include
33 the number and types of projects that counties have developed using the
34 funds collected under chapter 294, Laws of 2002. The analysis shall be
35 completed by September 2003, and updated (~~(every two years)~~) annually

1 thereafter. The analysis shall be included in the state affordable
2 housing for all plan.

3 **Sec. 45.** RCW 47.12.064 and 1995 c 399 s 121 are each amended to
4 read as follows:

5 (1) The department shall identify and catalog real property that is
6 no longer required for department purposes and is suitable for the
7 development of affordable housing for very low-income, low-income, and
8 moderate-income households as defined in RCW 43.63A.510. The inventory
9 shall include the location, approximate size, and current zoning
10 classification of the property. The department shall provide a copy of
11 the inventory to the department of community, trade, and economic
12 development by November 1, 1993, and every November 1st thereafter.
13 The list of all available property and a description of its suitability
14 for low-income housing must be included in the state affordable housing
15 for all plan.

16 (2) By November 1st of each year, beginning in 1994, the department
17 shall purge the inventory of real property of sites that are no longer
18 available for the development of affordable housing. The department
19 shall include an updated listing of real property that has become
20 available since the last update. As used in this section, "real
21 property" means buildings, land, or buildings and land.

22 (3) By November 1st of each year, beginning in 2006, the inventory
23 revision produced by the department shall include a report on
24 properties that were used, or are in the process of being used, for the
25 development of affordable housing. The report shall include the
26 following information:

27 (a) The number of properties that were used for the development of
28 affordable housing;

29 (b) The number of rental units and the number of units for
30 homeownership produced on each of the properties;

31 (c) The population of low-income households for which each unit is
32 affordable, such as the number of affordable units for households whose
33 income does not exceed eighty percent, fifty percent, and thirty
34 percent of the median income for the standard metropolitan statistical
35 area;

36 (d) The length of time each unit is guaranteed to remain affordable
37 to the population at the income level it was intended to house.

1 (4) The department of community, trade, and economic development
2 shall produce a single statewide report which will be included in its
3 state affordable housing for all plan.

4 **Sec. 46.** RCW 59.28.010 and 1989 c 188 s 1 are each amended to read
5 as follows:

6 The legislature finds that:

7 (1) There is a severe shortage of federally assisted housing within
8 the state of Washington. Over one hundred seventy thousand low and
9 moderate-income households are eligible for federally assisted housing
10 but are unable to locate vacant units.

11 (2) Within the next twenty years, more than twenty-six thousand
12 existing low-income housing units may be lost as a result of the
13 prepayment of mortgages or loans by the owners, or as a result of the
14 expiration of rental assistance contracts. Over three thousand units
15 of federally assisted housing have already been lost and an additional
16 nine thousand units may be lost within the next two and one-half years.

17 (3) Recent reductions in federal housing assistance and tax
18 benefits related to low-income housing make it uncertain whether
19 additional units of federally assisted housing will be built or that
20 those lost will be replaced.

21 (4) The loss of federally assisted housing will adversely affect
22 current tenants and lead to their displacement. It will also
23 drastically reduce the supply of affordable housing in our communities.

24 It is the purpose of this chapter to preserve federally assisted
25 housing in the state of Washington and to minimize the involuntary
26 displacement of tenants currently residing in such housing. The
27 preservation of existing federally assisted housing is a critical
28 strategy in achieving the state's goal of a decent, appropriate, and
29 affordable home in a healthy, safe environment for every low-income
30 household in the state by 2020.

31 **Sec. 47.** RCW 70.114A.010 and 1995 c 220 s 1 are each amended to
32 read as follows:

33 The legislature finds that there is an inadequate supply of
34 temporary and permanent housing for migrant and seasonal workers in
35 this state. The legislature also finds that unclear, complex
36 regulations related to the development, construction, and permitting of

1 worker housing inhibit the development of this much needed housing.
2 The legislature further finds that as a result, many workers are forced
3 to obtain housing that is unsafe and unsanitary.

4 Therefore, it is the intent of the legislature to encourage the
5 development of temporary and permanent housing for workers that is safe
6 and sanitary by: Establishing a clear and concise set of regulations
7 for temporary housing; establishing a streamlined permitting and
8 administrative process that will be locally administered and encourage
9 the development of such housing; and by providing technical assistance
10 to organizations or individuals interested in the development of worker
11 housing.

12 The development of temporary and permanent worker housing is a
13 critical strategy in achieving the state's goal of a decent,
14 appropriate, and affordable home in a healthy, safe environment for
15 every low-income household in the state by 2020. Information on
16 activities, outcomes, and performance measures of the department under
17 this chapter shall be included in the state affordable housing for all
18 plan.

19 **Sec. 48.** RCW 70.114A.040 and 1995 c 220 s 4 are each amended to
20 read as follows:

21 The department (~~(is designated the single state agency responsible~~
22 ~~for encouraging)) shall collaborate with the departments of community,~~

23 trade, and economic development, agriculture, and labor and industries

24 to encourage the development of additional temporary worker housing(~~(~~
25 ~~and shall be))~~). The department of community, trade, and economic

26 development is responsible for coordinating the activities of the
27 various state and local agencies to assure a seamless, nonduplicative
28 system for the development and operation of temporary worker housing.
29 Information on the performance and efforts of all state departments
30 under this chapter shall be included by the department of community,
31 trade, and economic development in the state affordable housing for all
32 plan.

33 **Sec. 49.** RCW 70.114A.085 and 1999 c 374 s 11 are each amended to
34 read as follows:

35 The department, in collaboration with the departments of community,
36 trade, and economic development, agriculture, and labor and industries,

1 shall prepare a report to the legislature on utilization of the
2 temporary worker building code authorized by RCW 70.114A.081 (as
3 recodified by this act). The report shall include the number of
4 housing units, number of families or individuals housed, number of
5 growers obtaining permits, the geographic distribution of the permits,
6 and recommendations of changes in the temporary worker building code
7 necessary to avoid health and safety problems for the occupants. The
8 report shall be (~~transmitted to the senate committee on commerce,~~
9 ~~trade, housing and financial institutions and the house of~~
10 ~~representatives committee on economic development, housing and trade by~~
11 ~~December 15, 2000, and an update shall be transmitted every two years~~
12 ~~thereafter~~) included in the department of community, trade, and
13 economic development affordable housing for all plan. The department
14 of community, trade, and economic development shall report on
15 performance measures established by the department to include, at a
16 minimum, the percentage of temporary and permanent housing need met
17 within the preceding twelve-month period.

18 **Sec. 50.** RCW 70.164.010 and 1987 c 36 s 1 are each amended to read
19 as follows:

20 The legislature finds and declares that weatherization of the
21 residences of low-income households will help conserve energy resources
22 in this state and can reduce the need to obtain energy from more costly
23 conventional energy resources. The legislature also finds that rising
24 energy costs have made it difficult for low-income citizens of the
25 state to afford adequate fuel for residential space heat.
26 Weatherization of residences will lower energy consumption, making
27 space heat more affordable for persons in low-income households.
28 Weatherization will also reduce overall household costs, which
29 increases the ability of low-income households to maintain safe,
30 quality housing and thus contributes to achieving the state's goal of
31 a decent, appropriate, and affordable home in a healthy, safe
32 environment for every low-income household in the state by 2020. It
33 will also reduce the uncollectible accounts of fuel suppliers resulting
34 from low-income customers not being able to pay fuel bills.

35 The program implementing the policy of this chapter is necessary to
36 support the poor and infirm and also to benefit the health, safety, and
37 general welfare of all citizens of the state.

1 **Sec. 51.** RCW 70.164.050 and 1987 c 36 s 5 are each amended to read
2 as follows:

3 (1) The department is responsible for ensuring that sponsors and
4 weatherizing agencies comply with the state laws, the department's
5 rules, and the sponsor's proposal in carrying out proposals.

6 (2) Before a residence is weatherized, the department shall require
7 that an energy assessment be conducted.

8 (3) Sponsors and the department shall maintain an unlimited waiting
9 list of weatherization program applicants, including contact
10 information. Waiting list information shall be provided by sponsors to
11 the department on a schedule to be determined by the department.

12 NEW SECTION. **Sec. 52.** (1) The department shall include
13 performance measures related to the weatherization assistance program
14 in the state affordable housing for all plan. Performance measures
15 shall be established by the department; however, the measures must
16 include, at a minimum, the following information by county and major
17 city:

18 (a) Percent of low-income households requesting assistance that
19 receive assistance; and

20 (b) Percent of low-income households receiving assistance that pay
21 less than thirty percent of household income on housing costs,
22 including heating the residence.

23 (2) Performance evaluations shall be conducted for each
24 participating vendor.

25 **Sec. 53.** RCW 72.09.055 and 1995 c 399 s 202 are each amended to
26 read as follows:

27 (1) The department shall identify and catalog real property that is
28 no longer required for department purposes and is suitable for the
29 development of affordable housing for very low-income, low-income, and
30 moderate-income households as defined in RCW 43.63A.510. The inventory
31 shall include the location, approximate size, and current zoning
32 classification of the property. The department shall provide a copy of
33 the inventory to the department of community, trade, and economic
34 development by November 1, 1993, and every November 1st thereafter.
35 The list of all available property and a description of its suitability

1 for low-income housing shall be included in the state affordable
2 housing for all plan as required in RCW 43.185B.040 (as recodified by
3 this act).

4 (2) By November 1st of each year, beginning in 1994, the department
5 shall purge the inventory of real property of sites that are no longer
6 available for the development of affordable housing. The department
7 shall include an updated listing of real property that has become
8 available since the last update. As used in this section, "real
9 property" means buildings, land, or buildings and land.

10 (3) By November 1st of each year, beginning in 2006, the inventory
11 revision provided to the department of community, trade, and economic
12 development shall include a report on properties that were used, or are
13 in the process of being used, for the development of affordable
14 housing. The report shall include the following information:

15 (a) The number of properties that were used for the development of
16 affordable housing;

17 (b) The number of rental units and the number of units for
18 homeownership produced on each of the properties;

19 (c) The population of low-income households for which each unit is
20 affordable, such as the number of affordable units for households whose
21 income does not exceed eighty percent, fifty percent, and thirty
22 percent of the median income for the standard metropolitan statistical
23 area; and

24 (d) The length of time each unit is guaranteed to remain affordable
25 to the population at the income level it was intended to house.

26 (4) The department of community, trade, and economic development
27 shall consolidate municipal reports required in subsection (3) of this
28 section into a statewide report that is provided to the appropriate
29 committees of the legislature each year by December 31st.

30 **Sec. 54.** RCW 43.63A.115 and 1993 c 280 s 60 are each amended to
31 read as follows:

32 (1) The community action agency network, established initially
33 under the federal economic opportunity act of 1964 and subsequently
34 under the federal community services block grant program of 1981, as
35 amended, shall be a delivery system for federal and state anti-poverty
36 programs in this state, including but not limited to the community

1 services block grant program, the low-income energy assistance program,
2 and the federal department of energy weatherization program.

3 (2) Local community action agencies comprise the community action
4 agency network. The community action agency network shall serve low-
5 income persons in the counties. Each community action agency and its
6 service area shall be designated in the state federal community service
7 block grant plan as prepared by the department of community, trade, and
8 economic development.

9 (3) Funds for anti-poverty programs may be distributed to the
10 community action agencies by the department of community, trade, and
11 economic development and other state agencies in consultation with the
12 authorized representatives of community action agency networks.

13 (4) Information regarding community action agency affordable
14 housing programs and performance measures shall be included in the
15 state affordable housing for all plan required in RCW 43.185B.040 (as
16 recodified by this act).

17 (5) The department of community, trade, and economic development
18 shall conduct an annual performance evaluation of all community action
19 agency affordable housing programs.

20 **Sec. 55.** RCW 43.185B.020 and 2003 c 40 s 1 are each amended to
21 read as follows:

22 (1) The department shall establish the affordable housing advisory
23 board to consist of (~~twenty-two~~) seventeen members.

24 (a) (~~The following nineteen~~) Members shall be appointed by the
25 governor on the basis of geographic distribution, cultural diversity,
26 and their expertise in one or more of the following fields:

27 (i) (~~Two representatives of the~~) Residential construction
28 (~~industry~~);

29 (ii) (~~Two representatives of the~~) Home mortgage lending
30 (~~profession~~);

31 (iii) (~~One representative of the~~) Real estate sales
32 (~~profession~~);

33 (iv) (~~One representative of the~~) Apartment management and
34 operations (~~industry~~);

35 (v) (~~One representative of the~~) For-profit and nonprofit housing
36 development (~~industry~~);

1 (vi) ~~((One representative of))~~ For-profit and nonprofit rental
2 housing ~~((owners))~~;

3 (vii) ~~((One representative of the nonprofit housing development~~
4 ~~industry~~;

5 ~~(viii) One representative of))~~ Homeless shelter ~~((operators))~~
6 operations and services;

7 ~~((ix) One representative of lower income persons~~;
8 ~~(x) One representative of))~~ (viii) Special needs ~~((populations))~~
9 population services;

10 ~~((xi) One representative of))~~ (ix) Public housing authorities ~~((as~~
11 ~~created))~~ under chapter 35.82 RCW;

12 ~~((xii))~~ (x) Two representatives ~~((of))~~ shall be appointed by the
13 governor from among persons nominated by the Washington association of
14 counties, one ~~((representative))~~ shall be from a county that is located
15 east of the crest of the Cascade mountains, and one shall be from a
16 county that is located west of the crest of the Cascade mountains;

17 ~~((xiii))~~ (xi) Two representatives ~~((of))~~ shall be appointed by
18 the governor from among persons nominated by the association of
19 Washington cities, one ~~((representative))~~ shall be from a city that is
20 located east of the crest of the Cascade mountains, and one shall be
21 from a city that is located west of the crest of the Cascade mountains;
22 and

23 ~~((xiv))~~ (xii) One representative shall be appointed by the
24 governor to serve as chair of the affordable housing advisory board~~((~~
25 ~~(xv) One representative at large))~~.

26 (b) The following three members shall serve as ex officio~~((~~
27 ~~nonvoting))~~ members:

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

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

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

33 (2)~~((a))~~ The members of the affordable housing advisory board
34 appointed by the governor shall be appointed for four-year terms,
35 except that the chair shall be appointed to serve a two-year term. The
36 terms of five of the initial appointees shall be for two years from the
37 date of appointment and the terms of six of the initial appointees
38 shall be for three years from the date of appointment. The governor

1 shall designate the appointees who will serve the two-year and three-
2 year terms. Members current in 2006 shall serve out the remainders of
3 their appointed terms. The members of the advisory board shall serve
4 without compensation, but shall be reimbursed for travel expenses as
5 provided in RCW 43.03.050 and 43.03.060.

6 ~~((b) The governor, when making appointments to the affordable~~
7 ~~housing advisory board, shall make appointments that reflect the~~
8 ~~cultural diversity of the state of Washington.))~~

9 (3) The affordable housing advisory board shall serve as the
10 ~~((department's))~~ state's principal advisory body on housing and
11 housing-related issues(~~, and replaces the department's existing boards~~
12 ~~and task forces on housing and housing-related issues~~)).

13 (4) The affordable housing advisory board shall meet regularly and
14 may appoint technical advisory committees, which may include members
15 and nonmembers of the affordable housing advisory board, as needed to
16 address specific issues and concerns.

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

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

24 NEW SECTION. Sec. 56. All entities receiving state funding or
25 funding from the housing finance commission for housing projects shall
26 implement a quality management program by December 31, 2008. All
27 entities receiving one hundred thousand dollars or more annually from
28 the state for housing programs shall apply to the Washington state
29 quality award program once within every three-year period with the
30 first application due on or before December 31, 2009.

31 NEW SECTION. Sec. 57. RCW 43.185A.020, 43.185A.030, 43.185A.040,
32 43.185A.050, 43.185A.060, 43.185A.070, 43.185A.080, 43.185A.900,
33 43.185A.901, 43.185A.902, 43.185B.010, 43.185B.020, 43.185B.030,
34 43.185B.040, 43.185B.900, 43.63A.660, 35.82.010, 35.82.030, 35.82.040,
35 35.82.045, 35.82.050, 35.82.060, 35.82.070, 35.82.076, 35.82.080,
36 35.82.090, 35.82.100, 35.82.110, 35.82.120, 35.82.130, 35.82.140,

1 35.82.150, 35.82.160, 35.82.170, 35.82.180, 35.82.190, 35.82.200,
2 35.82.210, 35.82.220, 35.82.230, 35.82.240, 35.82.250, 35.82.260,
3 35.82.270, 35.82.280, 35.82.285, 35.82.300, 35.82.320, 35.82.325,
4 35.82.900, 35.82.910, 43.185.010, 43.185.015, 43.185.020, 43.185.030,
5 43.185.050, 43.185.060, 43.185.070, 43.185.074, 43.185.076, 43.185.080,
6 43.185.090, 43.185.100, 43.185.110, 43.185.120, 43.185.900, 43.185.910,
7 59.28.010, 59.28.020, 59.28.030, 59.28.040, 59.28.050, 59.28.060,
8 59.28.070, 59.28.080, 59.28.090, 59.28.100, 59.28.120, 59.28.130,
9 59.28.900, 59.28.901, 59.28.902, 70.114.010, 70.114.020, 70.114A.010,
10 70.114A.020, 70.114A.030, 70.114A.040, 70.114A.045, 70.114A.050,
11 70.114A.060, 70.114A.065, 70.114A.070, 70.114A.081, 70.114A.085,
12 70.114A.100, 70.114A.110, 70.114A.900, 70.114A.901, 70.164.010,
13 70.164.020, 70.164.030, 70.164.040, 70.164.050, 70.164.060, 70.164.070,
14 and 70.164.900 are each recodified as sections in chapter 43.--- RCW
15 (created in section 58 of this act).

16 NEW SECTION. **Sec. 58.** Sections 1 through 7, 10 through 15, 17,
17 19, 20, 22 through 25, 34, 52, and 56 of this act constitute a new
18 chapter in Title 43 RCW.

19 NEW SECTION. **Sec. 59.** If any part of this act is found to be in
20 conflict with federal requirements that are a prescribed condition to
21 the allocation of federal funds to the state, the conflicting part of
22 this act is inoperative solely to the extent of the conflict and with
23 respect to the agencies directly affected, and this finding does not
24 affect the operation of the remainder of this act in its application to
25 the agencies concerned. Rules adopted under this act must meet federal
26 requirements that are a necessary condition to the receipt of federal
27 funds by the state.

28 NEW SECTION. **Sec. 60.** The following acts or parts of acts are
29 each repealed:

30 (1) RCW 43.185B.005 (Finding) and 2005 c 484 s 22 & 1993 c 478 s 1;

31 (2) RCW 43.185B.007 (Goal) and 1993 c 478 s 2;

32 (3) RCW 43.185B.009 (Objectives) and 2005 c 484 s 23 & 1993 c 478
33 s 3;

34 (4) RCW 43.185A.010 (Definitions) and 2000 c 255 s 9, 1995 c 399 s
35 102, & 1991 c 356 s 10; and

1 (5) RCW 35.82.020 (Definitions) and 1989 c 363 s 1, 1983 c 225 s 1,
2 1979 ex.s. c 187 s 1, 1977 ex.s. c 274 s 1, & 1965 c 7 s 35.82.020.

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