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**Housing Committee**

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**HB 1359**

**Brief Description:** Creating an affordable housing for all program.

**Sponsors:** Representatives Miloscia, Chase, Hasegawa, Pettigrew, Springer, Ormsby, Roberts, Darneille, Goodman and Santos.

**Brief Summary of Bill**

- Creates the Affordable Housing For All program for counties and establishes a state goal of ensuring a decent, appropriate, and affordable home in a healthy, safe environment for every very low-income household by 2020.
- Appropriates 7 million dollars to the Department of Community, Trade and Economic Development (DCTED) to distribute to counties participating in the program.

**Hearing Date:** 2/1/07

**Staff:** Robyn Dupuis (786-7166).

**Background:**

**Existing Low Income Housing Surcharge (RCW 36.22.178)**

County auditors are required by statute to record deeds and other instruments that are filed and recorded. A \$10 surcharge is charged for recording certain documents to support low-income housing projects.

The county is allowed to keep up to 5 percent of the \$10 surcharge for the collection, administration, and local distribution of the funds. Of the remaining funds, 40 percent is transmitted into the Housing Trust Account administered by the DCTED. The remainder of the revenue generated is retained by the counties for low-income housing programs and projects; which serve households making at or below 50 percent of the area median income.

**Summary of Bill:**

**Affordable Housing for All Surcharge**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

RCW 36.22.178 is renamed the Affordable Housing for All Surcharge. Revenue due to the state will be remitted to a new Affordable Housing For All Account and the DCTED will use the revenue to fund operation and maintenance costs of housing projects, to fulfill planning and evaluation requirements of the Affordable Housing for All program and to provide technical assistance to counties participating in the program. Counties may use their share of the funds for housing related projects and services for low-income households. All counties must report on their use of funds to the DCTED.

### **Appropriation**

\$7 million dollars is appropriated to the DCTED to be distributed to counties participating in the Affordable Housing for All program to be used for planning and programs.

### **County Participation in Affordable Housing for All Program**

Counties may decline to participate in the Affordable Housing for All program. In doing so they continue to collect and have use of the surcharge in RCW 36.22.178, however they are not eligible for monies from the additional appropriation and are not required to fulfill the following responsibilities:

- \* Create an Affordable Housing for All Taskforce
- \* Create a County Affordable Housing Plan by June 30, 2008 and update than plan annually. Plans may be combined with other required housing plans.
- \* Comply with additional planning, reporting and evaluation requirements.

### **DCTED Responsibilities of the Affordable Housing for All Program:**

- \* Create a State Affordable Housing for All Plan and update the plan annually.
- \* Establish performance measures by December 2007.
- \* Evaluate participating county plans annually beginning in 2008.
- \* Evaluate participating county programs annually starting in 2008.
- \* Evaluate all county use of the Affordable Housing for All surcharge.
- \* Conducts annual performance evaluations of all state agency housing programs.

### **Additional Bill Components**

- \* **JLARCC** evaluates AHFA Program every 4 years (starting in 2010). (Sec. 15)
- \* **Quality Management:** City and county governments receiving more than \$500,000 from state sources, HFC and the surcharges (AHFA and Homeless), must implement a quality management program and apply to the WA State Quality Award program. (Sec. 4.11)
- \* **\$50,000 for 5 Housing Authorities** for a pilot QM program. (Sec. 21)
- \* **\$500,000 for 5 Community Action Agencies** for pilot QM program (Sec. 22)
- \* **Voucher Study:** To be conducted by WA Institute for Public Policy to determine effectiveness and appropriateness in certain situations. By 12/2008. (Sec. 19)
- \* **Affordable Housing Data Base** by 12/2009: All publically owned rental units. (Sec. 17)
- \* **Homeownership Data Base** by 12/2009 (Sec. 18)
- \* **Housing Waiting List Database Study** by 12/2008 (Sec. 16)

**Appropriation:** None.

**Fiscal Note:** Requested on January 18, 2007.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.