
HOUSE BILL 2683

State of Washington 60th Legislature 2008 Regular Session

By Representatives Miloscia and Chase

Read first time 01/15/08. Referred to Committee on Housing.

1 AN ACT Relating to providing affordable housing for all; amending
2 RCW 43.185B.040, 36.22.178, 36.18.010, 43.185A.100, and 43.63A.650;
3 reenacting and amending RCW 43.185.070; adding a new section to chapter
4 43.185C RCW; adding a new chapter to Title 43 RCW; creating new
5 sections; recodifying RCW 36.22.179, 36.22.1791, 43.20A.790,
6 43.63A.650, 36.22.178, 43.185A.100, 43.185B.020, and 43.185B.040;
7 making an appropriation; and providing an expiration date.

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

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

16 (2) The legislature finds that there are many root causes of the
17 affordable housing shortage and declares that it is critical that such
18 causes be analyzed, effective solutions be developed, implemented,
19 monitored, and evaluated, and that these causal factors be eliminated.

1 The legislature also finds that there is a taxpayer and societal cost
2 associated with a lack of jobs that pay self-sufficiency standard wages
3 and a shortage of affordable housing, and that the state must identify
4 and quantify that cost.

5 (3) The legislature finds that the support and commitment of all
6 sectors of the statewide community is critical to accomplishing the
7 state's affordable housing for all goal. The legislature finds that
8 the provision of housing and housing-related services should be
9 administered at the local level. However, the state should play a
10 primary role in: Providing financial resources to achieve the goal at
11 all levels of government; researching, evaluating, benchmarking, and
12 implementing best practices; continually updating and evaluating
13 statewide housing data; developing a state plan that integrates the
14 strategies, goals, objectives, and performance measures of all other
15 state housing plans and programs; coordinating and supporting county
16 government plans and activities; and directing quality management
17 practices by monitoring both state and county government performance
18 towards achieving interim and ultimate goals.

19 (4) The legislature declares that the systematic and comprehensive
20 performance measurement and evaluation of progress toward interim goals
21 and the immediate state affordable housing goal of a decent,
22 appropriate, and affordable home in a healthy, safe environment for
23 every household in the state by 2020 is a necessary component of the
24 statewide effort to end the affordable housing crisis.

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

27 NEW SECTION. **Sec. 3.** There is created within the department the
28 state affordable housing for all program, which shall be funded by the
29 affordable housing for all program surcharge provided for in RCW
30 36.22.178 (as recodified by this act) and all other sources directed to
31 the affordable housing for all program. The goal of the program is a
32 decent, appropriate, and affordable home in a healthy, safe environment
33 for every very low-income household in the state by 2020. A priority
34 must be placed upon achieving this goal for extremely low-income
35 households. This goal includes increasing the percentage of households
36 who access housing that is affordable for their income or wage level

1 without government assistance by increasing the number of previously
2 very low-income households who achieve self-sufficiency and economic
3 independence. The goal also includes implementing strategies to keep
4 the rising cost of housing below the relative rise in wages. The
5 department shall develop and administer the affordable housing for all
6 program. Each county shall participate in the affordable housing for
7 all program except as provided in section 9 of this act; however, in
8 the development and implementation of the program scope and
9 requirements at the county level, the department shall consider: The
10 funding level to counties, number of county staff available to
11 implement the program, and competency of each county to meet the goals
12 of the program; and establish program guidelines, performance measures,
13 and reporting requirements appropriate to the existing capacity of the
14 participating counties.

15 NEW SECTION. **Sec. 4.** Unless the context clearly requires
16 otherwise, the definitions in this section apply throughout this
17 chapter.

18 (1) "Affordable housing" means housing that has a sales price or
19 rental amount that is within the means of a household that may occupy
20 low, very low, and extremely low-income housing. The department shall
21 adopt policies for residential rental and homeownership housing,
22 occupied by extremely low, very low, and low-income households, that
23 specify the percentage of household income that may be spent on monthly
24 housing costs, including utilities other than telephone, to qualify as
25 affordable housing.

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

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

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

33 (5) "Nonprofit organization" means any public or private nonprofit
34 organization that: (a) Is organized under federal, state, or local
35 laws; (b) has no part of its net earnings inuring to the benefit of any
36 member, founder, contributor, or individual; and (c) has among its
37 purposes, significant activities related to the provision of decent

1 housing that is affordable to extremely low-income, very low-income,
2 low-income, or moderate-income households and special needs
3 populations.

4 (6) "Regulatory barriers to affordable housing" and "regulatory
5 barriers" mean any public policies, including those embodied in
6 statutes, ordinances, regulations, or administrative procedures or
7 processes, required to be identified by the state, cities, towns, or
8 counties in connection with strategies under section 105(b)(4) of the
9 Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec. 12701
10 et seq.).

11 (7) "County affordable housing task force" means a county
12 committee, as described in section 7 of this act, created to prepare
13 and recommend to its county legislative authority a county affordable
14 housing for all plan, and also to recommend expenditures of the funds
15 from the affordable housing for all program surcharge in RCW 36.22.178
16 (as recodified by this act) and all other sources directed to the
17 county's affordable housing for all program.

18 (8) "Performance measurement" means the process of comparing
19 specific measures of success with ultimate and interim goals.

20 (9) "Performance evaluation" means the process of evaluating the
21 performance by established objective, measurable criteria according to
22 the achievement of outlined goals, measures, targets, standards, or
23 other outcomes using a ranked scorecard from highest to lowest
24 performance which employs a scale of one to one hundred, one hundred
25 being the optimal score.

26 (10) "Quality management program" means a nationally recognized
27 program using criteria similar or equivalent to the Baldrige criteria.
28 Beginning in 2010, all cities, towns, and counties receiving over five
29 hundred thousand dollars a year during the previous calendar year from
30 (a) state housing-related funding sources, including the housing trust
31 fund, (b) housing finance commission programs, (c) the affordable
32 housing for all program surcharge in RCW 36.22.178 (as recodified by
33 this act), (d) the home security fund surcharges in RCW 36.22.179 and
34 36.22.1791 (as recodified by this act), and (e) any other surcharge
35 charged under chapter 36.22 or 43.185C RCW to fund homelessness or
36 other housing programs shall apply to the full examination Washington
37 state quality award program once every three years beginning by January

1 1, 2011. The Washington state housing finance commission must apply to
2 the full examination Washington state quality award program by December
3 31, 2010, and at least once every three years thereafter.

4 (11) "Affordable housing for all program" means the program
5 authorized under this chapter, utilizing the funding from the
6 affordable housing for all program surcharge in RCW 36.22.178 (as
7 recodified by this act), and all other sources directed to the
8 affordable housing for all program, as administered by the department
9 at the state level and by each county at the local level.

10 (12) "State affordable housing for all plan" or "state plan" means
11 the plan developed by the department in collaboration with the
12 affordable housing advisory board with the goal of ensuring that every
13 very low-income household in Washington has a decent, appropriate, and
14 affordable home in a healthy, safe environment by 2020.

15 (13) "County affordable housing for all plan" or "county plan"
16 means the plan developed by each county with the goal of ensuring that
17 every very low-income household in the county has a decent,
18 appropriate, and affordable home in a healthy, safe environment by
19 2020.

20 (14) "Low-income household," for the purposes of the affordable
21 housing for all program, means a single person, family, or unrelated
22 persons living together whose adjusted income is less than eighty
23 percent of the median household income, adjusted for household size for
24 the county where the project is located.

25 (15) "Very low-income household" means a single person, family, or
26 unrelated persons living together whose adjusted income is less than
27 fifty percent of the median family income, adjusted for household size
28 for the county where the project is located.

29 (16) "Extremely low-income household" means a single person,
30 family, or unrelated persons living together whose adjusted income is
31 less than thirty percent of the median family income, adjusted for
32 household size for the county where the project is located.

33 (17) "County" means a county government in the state of Washington
34 or, except under RCW 36.22.178 (as recodified by this act), a city
35 government or collaborative of city governments within that county if
36 the county government declines to participate in the affordable housing
37 program.

1 (18) "Local government" means a county or city government in the
2 state of Washington or, except under RCW 36.22.178 (as recodified by
3 this act), a city government or collaborative of city governments
4 within that county if the county government declines to participate in
5 the affordable housing program.

6 (19) "Authority" or "housing authority" means any of the public
7 corporations created by RCW 35.82.030.

8 (20) "Good family-wage job" means a job that pays at or above one
9 of the two self-sufficiency income standards established under section
10 17 of this act which for an individual means enough income to support
11 one adult individual, and for a family means enough income to support
12 two adult individuals, one preschool-aged child, and one school-aged
13 child.

14 **Sec. 5.** RCW 43.185B.040 and 1993 c 478 s 12 are each amended to
15 read as follows:

16 (1) The department shall, in consultation with the affordable
17 housing advisory board created in RCW 43.185B.020 (as recodified by
18 this act), prepare and ~~((from time to time amend a five year))~~ annually
19 update a state affordable housing ((advisory)) for all plan. The state
20 plan must incorporate the strategies, objectives, goals, and
21 performance measures of all other housing-related state plans,
22 including the state homeless housing strategic plan required under RCW
23 43.185C.040 and all state housing programs. The state affordable
24 housing for all plan may be combined with the state homeless housing
25 strategic plan required under RCW 43.185C.040 or any other existing
26 state housing plan as long as the requirements of all of the plans to
27 be merged are met.

28 (2) The purpose of the state affordable housing for all plan is to:

29 (a) Document the need for affordable housing in the state and the
30 extent to which that need is being met through public and private
31 sector programs((τ));

32 (b) Outline the development of sound strategies and programs to
33 promote affordable housing;

34 (c) Establish, evaluate, and report upon performance measures,
35 including the performance measures outlined in section 6 of this act,
36 goals and timelines that are determined by the department for all state
37 housing programs, as well as all housing programs operated by or

1 coordinated by city and county governments, including local housing-
2 related levy initiatives, housing-related tax exemption programs, and
3 federally funded programs operated or coordinated by the state or local
4 governments;

5 (d) Evaluate and report upon all counties' use of the affordable
6 housing for all program surcharge funds provided for in RCW 36.22.178
7 (as recodified by this act) and all other sources directed to the
8 counties' affordable housing for all programs;

9 (e) Report upon how housing trust fund awards and projects financed
10 by the Washington state housing finance commission within the previous
11 one-year period are consistent with the plan and have contributed to
12 the goal of the affordable housing for all program; and ((to))

13 (f) Facilitate state and county government planning to meet the
14 state affordable housing ((needs of the state, and to enable the
15 development of sound strategies and programs for affordable housing))
16 for all goal.

17 (3) The information in the ((five-year)) annual state affordable
18 housing ((advisory)) for all plan must include:

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

20 (b) An assessment of the housing needs for all economic segments of
21 the state by wage level decile and special needs populations including:

22 (i) A report on the number and percentage of households statewide
23 and in each county who are currently living in housing that is not
24 affordable given their wage level; and

25 (ii) A report on the number and percentage of additional affordable
26 rental housing units that are needed statewide and in each county;

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

30 (d) An inventory of the homeownership units under public or
31 nonprofit control through a trust or covenant limiting the economic
32 value of the unit made available through public and private sector
33 programs;

34 (e) An estimate of the number and percentage of homes available for
35 purchase statewide and in each county that are affordable to each wage
36 level decile;

37 (f) An estimate of the number and percentage affordable homes for
38 purchase needed for each wage level decile to achieve the state's

1 homeownership goal, as determined by the department and included in the
2 state affordable housing for all plan, unless established by the
3 legislature;

4 (g) A summary of the activities of all state housing programs, as
5 well as all housing programs operated by or coordinated by city and
6 county governments, including local housing-related levy initiatives,
7 housing-related tax exemption programs, and federally funded programs
8 operated or coordinated by the state or local governments;

9 (h) A status report on the degree of progress made by the public
10 and private sector toward meeting the housing needs of the state, each
11 county, and each city with a population greater than fifty thousand or
12 the city with the highest population in each county, where information
13 is available;

14 ~~((e))~~ (i) An identification of state and local regulatory
15 barriers to affordable housing and proposed regulatory and
16 administrative techniques designed to remove barriers to the
17 development and placement of affordable housing; ~~((and~~

18 ~~(f))~~ (j) An analysis, statewide and within each county and major
19 city, of the primary contributors to the cost of housing and an outline
20 of potential strategies to keep the increasing cost of housing below
21 the relative rise in wages;

22 (k) Specific recommendations, policies, or proposals for meeting
23 the affordable housing needs of the state;

24 (l) Identification of key root causal factors of the affordable
25 housing shortage and the inability of low-income households and low-
26 wage earning individuals to obtain and retain appropriate housing, and
27 identification of possible preventative strategies and related
28 performance measures;

29 (m) A report on the growth in the population of persons in each
30 wage level decile statewide and for each county;

31 (n) A determination of the cost to the state of the affordable
32 housing shortage;

33 (o) A report of any differences in the rates of inflation between
34 median house prices, median rent for a two-bedroom apartment, and
35 median family income for persons or households in each wage level
36 decile;

37 (p) A summary of the recommendations of the affordable housing
38 advisory board report as required in RCW 43.185B.030;

1 (q) A response to all county legislative and policy recommendations
2 included in county affordable housing for all plans as well as proposed
3 strategies to address issues raised in the county plans; and

4 (r) A summary report of the department's evaluations of the
5 operations and accomplishments of other state departments and agencies
6 as they affect housing as required in RCW 43.63A.650 (as recodified by
7 this act).

8 ~~((2)(a))~~ (4) The ~~((five-year))~~ state affordable housing
9 ~~((advisory))~~ for all plan required under ~~((subsection (1) of))~~ this
10 section must be submitted to the appropriate committees of the
11 legislature on or before ~~((February 1, 1994))~~ December 31, 2009, and
12 subsequent updated plans must be submitted ~~((every five years))~~ by
13 December 31st each year thereafter.

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

18 (5) To guide counties in preparation of county affordable housing
19 for all plans required under section 8 of this act, the department
20 shall issue, by December 31, 2008, guidelines for preparing county
21 plans consistent with this chapter. County plans must be substantially
22 consistent with the goals and program recommendations of the state
23 affordable housing for all plan and must include, at a minimum, the
24 same information analysis, on a local level, as described in subsection
25 (3) of this section and must include the performance measures outlined
26 in section 6 of this act.

27 (6) Based on changes to the general population and in the housing
28 market, the department may revise the performance measures and goals of
29 the state affordable housing for all plan and set goals for years
30 following December 31, 2020.

31 NEW SECTION. Sec. 6. (1) The department, in consultation with a
32 task force established by the department consisting of the chairs of
33 the appropriate committees of the legislature, representatives
34 appointed by the director from a minimum of five county affordable
35 housing for all task forces representing urban and rural areas as well
36 as communities east and west of the Cascade mountains, representatives
37 from private for-profit housing developers that have experience with

1 low-income housing, and representatives from statewide housing advocacy
2 organizations, shall create affordable housing for all program outcomes
3 and performance measures and goals addressing, at a minimum, the
4 success of the state and each county in the following areas:

5 (a) An overall measurement of the affordable housing needs met for
6 extremely low, low, and low-income households within each twelve-month
7 period;

8 (b) A measure of the change in the cost of housing relative to the
9 change in wages;

10 (c) A measure of the increase in affordable rental housing;

11 (d) A measure of the increase in self-sufficiency amongst
12 individuals and families;

13 (e) A measure of the increase in individuals' and family wages;

14 (f) A measure of community support for the state and county plans;

15 (g) A measure of county government financial support for the
16 program;

17 (h) A measure of the financial viability of the state and county
18 plans;

19 (i) A measure of the financial efficiency of the housing programs
20 funded by the county;

21 (j) A measure of the quality of the state and county plans; and

22 (k) A measure of the quality of the management of county
23 governments.

24 Measurement reporting must be subdivided by county, major city, and
25 political geography, and yearly targets for these results must be
26 included. Performance measures must be included in the department's
27 state affordable housing for all plan and all county affordable housing
28 for all plans and must be provided to the joint legislative audit and
29 review committee.

30 (2) Performance measures and yearly targets must be established by
31 December 31, 2008, and must be reviewed annually by the department
32 after soliciting feedback from all county affordable housing for all
33 task forces.

34 (3) The department may determine a timeline to implement and
35 measure each performance measure for the state and county plans, except
36 that the state and all counties participating in the affordable housing
37 for all program must implement and respond to all performance measures

1 by January 1, 2011, unless the department determines that a performance
2 measure is not applicable to a specific county based on parameters and
3 thresholds established by the department.

4 NEW SECTION. **Sec. 7.** Each county shall convene a county
5 affordable housing task force. The task force must be a committee,
6 made up of volunteers, created to prepare and recommend to the county
7 legislative authority a county affordable housing for all plan and also
8 to recommend appropriate expenditures of the affordable housing for all
9 program funds provided for in RCW 36.22.178 (as recodified by this act)
10 and any other sources directed to the county program. The county
11 affordable housing task force must include a representative of the
12 county, a representative from the city with the highest population in
13 the county, a representative from all other cities in the county with
14 a population greater than fifty thousand, a member representing
15 beneficiaries of affordable housing programs, other members as may be
16 required to maintain eligibility for federal funding related to housing
17 programs and services, and a representative from both a private
18 nonprofit organization and a private for-profit organization with
19 experience in very low-income housing. The task force may be the same
20 as the homeless housing task force created in RCW 43.185C.160 or the
21 same as another existing task force or other formal committee that
22 meets the requirements of this section.

23 NEW SECTION. **Sec. 8.** (1) Each county shall direct its affordable
24 housing task force to prepare and recommend to its county legislative
25 authority a county affordable housing for all plan for its
26 jurisdictional area. Each county shall adopt a county plan by June 30,
27 2009, and update the plan annually by June 30th thereafter. All plans
28 must be forwarded to the department by the date of adoption. County
29 affordable housing for all plans may be combined with the local
30 homeless housing plans required under RCW 43.185C.040, county
31 comprehensive plans required under RCW 36.70A.040, or any other
32 existing plan addressing housing within a county as long as the
33 requirements of all of the plans to be merged are met. For counties
34 required or choosing to plan under RCW 36.70A.040, county affordable
35 housing for all plans must be consistent with the housing elements of

1 comprehensive plans described in RCW 36.70A.070(2). County plans must
2 also be consistent with any existing local homeless housing plan
3 required in RCW 43.185C.050.

4 (2) County affordable housing for all plans must be primarily
5 focused on (a) ensuring that every very low-income household in the
6 county jurisdictional area has a decent, appropriate, and affordable
7 home in a healthy, safe environment by 2020 with a priority placed on
8 achieving this goal for extremely low-income households and (b)
9 increasing the percentage of very low-income households that access
10 affordable housing without government assistance. County plans must
11 include information and performance measurement data where available on
12 all city and county housing programs, including local housing-related
13 levy initiatives, housing-related tax exemption programs, and federally
14 funded programs operated or coordinated by the state or local
15 governments. County plans must also include information on the uses of
16 the affordable housing for all surcharge as required in RCW
17 36.22.178(4) (as recodified by this act). County plans must be
18 substantially consistent with the goals, performance measures, and
19 program recommendations of the state affordable housing for all plan
20 and must include, at a minimum, the same information, analysis, and
21 performance measures as described in RCW 43.185B.040 (as recodified by
22 this act) and section 6 of this act. In addition to these performance
23 measures, counties must report on a common performance measure, to be
24 determined by the department, measuring the health and safety of
25 tenants of affordable rental housing. All towns, cities, and counties
26 must report information related to this performance measure to the
27 county task force to the greatest extent practicable using available
28 funds. Counties shall report on achievements according to stated
29 performance measures to the department annually by December 1st,
30 beginning in 2009.

31 (3) In addition to fulfilling the requirements of subsections (1)
32 and (2) of this section, county affordable housing for all plans must
33 include:

34 (a) Timelines for the accomplishment of interim goals and targets,
35 and for the acquisition of projected financing that is appropriate for
36 outlined goals and targets;

37 (b) An identification of challenges to reaching the affordable
38 housing for all goal;

1 (c) A total estimated amount of funds needed to reach the local
2 affordable housing for all goal and an identification of potential
3 funding sources; and

4 (d) State legislative recommendations to enable the county to
5 achieve its affordable housing for all goals. Legislative
6 recommendations must be specific and, if necessary, include an
7 estimated amount of funding required and suggestions of an appropriate
8 funding source.

9 (4) Each year, the department shall:

10 (a) Summarize key information from county plans, including a
11 summary of local city and county housing program activities and a
12 summary of legislative recommendations;

13 (b) Conduct annual performance evaluations of county plans; and

14 (c) Conduct annual performance evaluations of all counties
15 according to their performance in achieving stated affordable housing
16 goals in their plans.

17 (5) The department shall present the summary of county affordable
18 housing for all plans and the results of performance evaluations to the
19 appropriate committees of the legislature annually on or before
20 December 31st, beginning in 2010.

21 NEW SECTION. **Sec. 9.** (1) Any county may decline to participate in
22 the affordable housing for all program authorized in this chapter by
23 forwarding to the department a resolution adopted by the county
24 legislative authority stating the intention not to participate. A copy
25 of the resolution must also be transmitted to the county auditor and
26 treasurer. Counties that decline to participate shall not be required
27 to establish an affordable housing task force or to create a county
28 affordable housing for all plan. Counties declining to participate in
29 the affordable housing for all program shall continue to collect and
30 utilize the affordable housing for all surcharge for the purposes
31 described in RCW 36.22.178 (as recodified by this act); however, such
32 counties shall not be allocated any additional affordable housing for
33 all program funding. Counties may opt back into the affordable housing
34 for all program authorized by this chapter at a later date through a
35 process and timeline to be determined by the department.

36 (2) If a county declines to participate in the affordable housing
37 for all program authorized in this chapter, a city or formally

1 organized collaborative of cities within that county may forward a
2 resolution to the department stating its intention and willingness to
3 operate an affordable housing for all program within its jurisdictional
4 limits. The department must establish procedures to choose amongst
5 cities or collaboratives of cities in the event that more than one city
6 or collaborative of cities express an interest in participating in the
7 program. Participating cities or collaboratives of cities must fulfill
8 the same requirements as counties participating in the affordable
9 housing for all program.

10 NEW SECTION. **Sec. 10.** A county may subcontract with any other
11 county, city, town, housing authority, community action agency, or
12 other nonprofit organization for the execution of programs contributing
13 to the affordable housing for all goal. All subcontracts must be:
14 Consistent with the county affordable housing for all plan adopted by
15 the legislative authority of the county; time limited; and filed with
16 the department, and must have specific performance terms as specified
17 by the county. County governments must strongly encourage all
18 subcontractors under the affordable housing for all program to apply to
19 the full examination Washington state quality award program. This
20 authority to subcontract with other entities does not affect
21 participating counties' ultimate responsibility for meeting the
22 requirements of the affordable housing for all program.

23 **Sec. 11.** RCW 36.22.178 and 2007 c 427 s 1 are each amended to read
24 as follows:

25 The surcharge provided for in this section shall be named the
26 affordable housing for all surcharge.

27 (1) Except as provided in subsection (3) of this section, a
28 surcharge of ten dollars per instrument shall be charged by the county
29 auditor for each document recorded, which will be in addition to any
30 other charge authorized by law. The county may retain up to five
31 percent of these funds collected solely for the collection,
32 administration, and local distribution of these funds. Of the
33 remaining funds, forty percent of the revenue generated through this
34 surcharge will be transmitted monthly to the state treasurer who will
35 deposit the funds into the affordable housing for all account created
36 in RCW 43.185C.190. The department of community, trade, and economic

1 development must use these funds to provide housing and shelter for
2 extremely low-income households, including but not limited to grants
3 for building operation and maintenance costs of housing projects or
4 units within housing projects that are affordable to extremely low-
5 income households with incomes at or below thirty percent of the area
6 median income, and that require a supplement to rent income to cover
7 ongoing operating expenses.

8 (2) All of the remaining funds generated by this surcharge will be
9 retained by the county and be deposited into a fund that must be used
10 by the county and its cities and towns for eligible housing activities
11 as described in this subsection that serve very low-income households
12 with incomes at or below fifty percent of the area median income. The
13 portion of the surcharge retained by a county shall be allocated to
14 eligible housing activities that serve extremely low and very low-
15 income households in the county and the cities within a county
16 according to an interlocal agreement between the county and the cities
17 within the county consistent with countywide and local housing needs
18 and policies. A priority must be given to eligible housing activities
19 that serve extremely low-income households with incomes at or below
20 thirty percent of the area median income. Eligible housing activities
21 to be funded by these county funds are limited to:

22 (a) Acquisition, construction, or rehabilitation of housing
23 projects or units within housing projects that are affordable to very
24 low-income households with incomes at or below fifty percent of the
25 area median income, including units for homeownership, rental units,
26 seasonal and permanent farm worker housing units, and single room
27 occupancy units;

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

34 (c) Rental assistance vouchers for housing units that are
35 affordable to very low-income households with incomes at or below fifty
36 percent of the area median income, to be administered by a local public
37 housing authority or other local organization that has an existing

1 rental assistance voucher program, consistent with or similar to the
2 United States department of housing and urban development's section 8
3 rental assistance voucher program standards; and

4 (d) Operating costs for emergency shelters and licensed overnight
5 youth shelters.

6 (3) The surcharge imposed in this section does not apply to
7 assignments or substitutions of previously recorded deeds of trust.

8 (4) All counties shall report at least annually upon receipts and
9 expenditures of the affordable housing for all surcharge funds created
10 in this section to the department. The department may require more
11 frequent reports. The report must include the amount of funding
12 generated by the surcharge, the total amount of funding distributed to
13 date, the amount of funding allocated to each eligible housing
14 activity, a description of each eligible housing activity funded,
15 including information on the income or wage level and numbers of
16 extremely low and low-income households the eligible housing activity
17 is intended to serve, and the outcome or anticipated outcome of each
18 eligible housing activity.

19 **Sec. 12.** RCW 36.18.010 and 2007 c 523 s 2 are each amended to read
20 as follows:

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

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

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

- 1 (3) For preparing noncertified copies, for each page eight and one-
2 half by fourteen inches or less, one dollar;
- 3 (4) For administering an oath or taking an affidavit, with or
4 without seal, two dollars;
- 5 (5) For issuing a marriage license, eight dollars, (this fee
6 includes taking necessary affidavits, filing returns, indexing, and
7 transmittal of a record of the marriage to the state registrar of vital
8 statistics) plus an additional five-dollar fee for use and support of
9 the prevention of child abuse and neglect activities to be transmitted
10 monthly to the state treasurer and deposited in the state general fund
11 plus an additional ten-dollar fee to be transmitted monthly to the
12 state treasurer and deposited in the state general fund. The
13 legislature intends to appropriate an amount at least equal to the
14 revenue generated by this fee for the purposes of the displaced
15 homemaker act, chapter 28B.04 RCW;
- 16 (6) For searching records per hour, eight dollars;
- 17 (7) For recording plats, fifty cents for each lot except cemetery
18 plats for which the charge shall be twenty-five cents per lot; also one
19 dollar for each acknowledgment, dedication, and description: PROVIDED,
20 That there shall be a minimum fee of twenty-five dollars per plat;
- 21 (8) For recording of miscellaneous records not listed above, for
22 the first page eight and one-half by fourteen inches or less, five
23 dollars; for each additional page eight and one-half by fourteen inches
24 or less, one dollar;
- 25 (9) For modernization and improvement of the recording and indexing
26 system, a surcharge as provided in RCW 36.22.170;
- 27 (10) For recording an emergency nonstandard document as provided in
28 RCW 65.04.047, fifty dollars, in addition to all other applicable
29 recording fees;
- 30 (11) For recording instruments, a two-dollar surcharge to be
31 deposited into the Washington state heritage center account created in
32 RCW 43.07.129;
- 33 (12) For recording instruments, a surcharge as provided in RCW
34 36.22.178 (as recodified by this act); (~~and~~)
- 35 (13) For recording instruments, except for documents recording a
36 birth, marriage, divorce, or death or any documents otherwise exempted
37 from a recording fee under state law, a surcharge as provided in RCW
38 36.22.179 (as recodified by this act); and

1 (14) For recording instruments, except for documents recording a
2 birth, marriage, divorce, or death or any documents otherwise exempted
3 from a recording fee under state law, a surcharge as provided in RCW
4 36.22.1791 (as recodified by this act).

5 NEW SECTION. **Sec. 13.** 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 and other revenue that may be appropriated by the legislature for
9 these purposes. However, neither the department nor any local
10 government may use any funds authorized in this act to supplant or
11 reduce any existing expenditures of public money to address the
12 affordable housing shortage.

13 NEW SECTION. **Sec. 14.** The joint legislative audit and review
14 committee shall conduct a performance audit of the state affordable
15 housing for all program every four years. The audit must include an
16 analysis of the department's expenditures of funds from sources
17 established by RCW 36.22.178 (as recodified by this act) and all other
18 sources directed to the affordable housing for all program. The first
19 audit must be conducted on or before December 31, 2011. Each audit
20 must take no longer than six months or one hundred thousand dollars to
21 complete.

22 **Sec. 15.** RCW 43.185A.100 and 2006 c 349 s 11 are each amended to
23 read as follows:

24 (1) The department, the housing finance commission, the affordable
25 housing advisory board, and all local governments, housing authorities,
26 and other nonprofits receiving state housing funds, affordable housing
27 for all funds, home security funds, or financing through the housing
28 finance commission shall, by December 31, (~~2006~~) 2008, and annually
29 thereafter, review current housing reporting requirements related to
30 all housing programs and services and give recommendations to
31 streamline and simplify all housing planning and reporting requirements
32 to the department of community, trade, and economic development, which
33 will compile and present the recommendations annually to the
34 legislature. The entities listed in this section shall also give

1 recommendations for additional legislative actions that could promote
2 the affordable housing for all goal and the state goal to end
3 homelessness.

4 (2) The department shall collaborate with the housing finance
5 commission to streamline and, when possible, consolidate funding
6 application and reporting requirements. The department shall report on
7 its activities to the appropriate committees of the legislature by
8 December 31, 2008.

9 **Sec. 16.** RCW 43.63A.650 and 1999 c 267 s 3 are each amended to
10 read as follows:

11 (1) The department shall be the principal state department
12 responsible for coordinating federal and state resources and activities
13 in housing, except for programs administered by the Washington state
14 housing finance commission under chapter 43.180 RCW, and for evaluating
15 the operations and accomplishments of other state departments and
16 agencies as they affect housing. The department shall conduct annual
17 performance evaluations of all state department and agency services
18 provided to extremely low, very low, and low-income persons needing
19 housing assistance, as well as all other housing-related programs and
20 activities. The department shall provide copies of the evaluation
21 reports to the appropriate committees of the legislature and the
22 affordable housing advisory board by December 31st of each year.

23 (2) The department shall work with (~~local governments~~) cities,
24 towns, counties, tribal organizations, local housing authorities,
25 nonprofit community or neighborhood-based organizations, and regional
26 or statewide nonprofit housing assistance organizations, for the
27 purpose of coordinating federal and state resources with local
28 resources for housing.

29 (3) The department shall be the principal state department
30 responsible for providing shelter and housing services to homeless
31 families with children. The department shall have the principal
32 responsibility to coordinate, plan, and oversee the state's activities
33 for developing a coordinated and comprehensive plan to serve homeless
34 families with children. The plan shall be developed collaboratively
35 with the department of social and health services. The department
36 shall include community organizations involved in the delivery of
37 services to homeless families with children, and experts in the

1 development and ongoing evaluation of the plan. The department shall
2 follow professionally recognized standards and procedures. The plan
3 shall be implemented within amounts appropriated by the legislature for
4 that specific purpose in the operating and capital budgets. The
5 department shall submit the plan to the appropriate committees of the
6 senate and house of representatives no later than September 1, 1999,
7 and shall update the plan and submit it to the appropriate committees
8 of the legislature by January 1st of every odd-numbered year through
9 2007. The plan shall address at least the following: (a) The need for
10 prevention assistance; (b) the need for emergency shelter; (c) the need
11 for transitional assistance to aid families into permanent housing; (d)
12 the need for linking services with shelter or housing; and (e) the need
13 for ongoing monitoring of the efficiency and effectiveness of the
14 plan's design and implementation.

15 NEW SECTION. **Sec. 17.** A new section is added to chapter 43.185C
16 RCW to read as follows:

17 The department shall contract with the employment security
18 department to annually establish two self-sufficiency income standards
19 based upon the cost of living, including housing costs, which include
20 mortgage or rent payments and utilities other than telephone, for each
21 county in the state. The self-sufficiency income standards must be
22 based upon the costs needed to support: (1) One adult individual; and
23 (2) two adult individuals and one preschool-aged child and one school-
24 aged child. These income standards will be translated into an
25 equivalent hourly wage rate assuming one full-year, full-time earner
26 for the self-sufficiency income standards for each county. The self-
27 sufficiency income standards must be presented to the legislature by
28 December 31, 2009. The employment security department must spend no
29 more than one hundred ten thousand dollars in creating the initial
30 self-sufficiency income standards and no more than fifty-five thousand
31 dollars annually to update the standards. The employment security
32 department shall deliver a report to the department and the appropriate
33 committees of the legislature that details the number and percentage of
34 individuals statewide and in each county who do not have a good family
35 wage job and, as a result, earn less than the self-sufficiency income
36 standards, as well as the number and percentage of individuals

1 statewide and in each county who have a good family wage job and, as a
2 result, earn an amount equivalent to or more than the self-sufficiency
3 income standards.

4 NEW SECTION. **Sec. 18.** The joint legislative audit and review
5 committee shall conduct a performance audit and evaluation of the
6 growth management act, chapter 36.70A RCW, by January 1, 2009. The
7 audit must include the following components:

8 (1) An evaluation of the effectiveness of growth management act
9 policies and requirements, including:

10 (a) An assessment to determine whether or not and to what degree
11 the growth management act has been successful in furthering the
12 planning goals as described in RCW 36.70A.020; and

13 (b) The identification of challenges and barriers limiting the
14 success of the growth management act in furthering and achieving the
15 goals of RCW 36.70A.020 as well as a recommendation of the best method
16 for the state and local jurisdictions to annually identify and address
17 challenges and barriers to achieving the goals.

18 (2) A determination of the full financial cost to local governments
19 for activities related to compliance with the growth management act
20 since its enactment and a recommendation of the most appropriate method
21 of fully funding future planning and accountability activities. Costs
22 to be included in the assessment of the total financial cost of the
23 growth management act must include, among others, costs associated with
24 planning, implementation, and litigation.

25 (3) A determination of the most effective and accurate method of
26 determining growth management population projections by the office of
27 financial management that will result in the identification of correct
28 yearly targets for housing for all economic segments within each local
29 jurisdiction.

30 (4) A determination of the most accurate method for local
31 jurisdictions to establish correct housing targets, including
32 recommended procedures to:

33 (a) Identify the existing backlog need for housing by wage and
34 income level;

35 (b) Ensure that there is adequate and appropriate available housing
36 given the number and wage levels of employment opportunities in order

1 to accomplish the goal of providing housing opportunities to all
2 individuals near their places of employment; and

3 (c) Ensure that available housing at a variety of monthly housing
4 price points matches available employment opportunities while
5 considering employment wages and total household income levels of
6 employees within the jurisdiction.

7 (5) An overall evaluation of the efficiency and effectiveness of
8 the growth management hearings boards established in RCW 36.70A.250,
9 including the petition and appeals processes.

10 (6) The determination of the best method to link wage or income
11 performance measures of individuals and households in all housing
12 economic segments to the key performance measures of other growth
13 management act goals in action plans for local legislative authorities.

14 (7) A determination of the most effective methods to track
15 performance measures on an annual basis and to hold local jurisdictions
16 accountable for meeting the performance measures.

17 **Sec. 19.** RCW 43.185.070 and 2005 c 518 s 1802 and 2005 c 219 s 2
18 are each reenacted and amended to read as follows:

19 (1) During each calendar year in which funds from the housing trust
20 fund or other legislative appropriations are available for use by the
21 department for the housing assistance program, the department shall
22 announce to all known interested parties, and through major media
23 throughout the state, a grant and loan application period of at least
24 ninety days' duration. This announcement shall be made as often as the
25 director deems appropriate for proper utilization of resources. The
26 department shall then promptly grant as many applications as will
27 utilize available funds less appropriate administrative costs of the
28 department. Administrative costs paid out of the housing trust fund
29 may not exceed five percent of annual revenues available for
30 distribution to housing trust fund projects. In awarding funds under
31 this chapter, the department shall provide for a geographic
32 distribution on a statewide basis.

33 (2) The department shall give first priority to applications for
34 projects and activities which utilize existing privately owned housing
35 stock including privately owned housing stock purchased by nonprofit
36 public development authorities and public housing authorities as
37 created in chapter 35.82 RCW. As used in this subsection, privately

1 owned housing stock includes housing that is acquired by a federal
2 agency through a default on the mortgage by the private owner. Such
3 projects and activities shall be evaluated under subsection (3) of this
4 section. Second priority shall be given to activities and projects
5 which utilize existing publicly owned housing stock. All projects and
6 activities shall be evaluated by some or all of the criteria under
7 subsection (3) of this section, and similar projects and activities
8 shall be evaluated under the same criteria.

9 (3) The department shall give preference for applications based on
10 some or all of the criteria under this subsection, and similar projects
11 and activities shall be evaluated under the same criteria:

12 (a) The degree of leveraging of other funds that will occur;

13 (b) The degree of commitment from programs to provide necessary
14 habilitation and support services for projects focusing on special
15 needs populations;

16 (c) Recipient contributions to total project costs, including
17 allied contributions from other sources such as professional, craft and
18 trade services, and lender interest rate subsidies;

19 (d) Local government project contributions in the form of
20 infrastructure improvements, and others;

21 (e) Projects that encourage ownership, management, and other
22 project-related responsibility opportunities;

23 (f) Projects that demonstrate a strong probability of serving the
24 original target group or income level for a period of at least twenty-
25 five years;

26 (g) The applicant has the demonstrated ability, stability and
27 resources to implement the project;

28 (h) The applicant has committed to quality improvement and
29 submitted an application to the Washington state quality award program
30 within the previous three years;

31 (i) Projects which demonstrate serving the greatest need;

32 ~~((+i))~~ (j) Projects that provide housing for persons and families
33 with the lowest incomes;

34 ~~((+j))~~ (k) Projects serving special needs populations which are
35 under statutory mandate to develop community housing;

36 ~~((+k))~~ (l) Project location and access to employment centers in
37 the region or area;

1 (~~(l)~~) (m) Projects that provide employment and training
2 opportunities for disadvantaged youth under a youthbuild or youthbuild-
3 type program as defined in RCW 50.72.020; and

4 (~~(m)~~) (n) Project location and access to available public
5 transportation services.

6 (4) The department shall only approve applications for projects for
7 (~~(mentally ill)~~) persons with mental illness that are consistent with
8 a regional support network six-year capital and operating plan.

9 NEW SECTION. Sec. 20. The sum of twenty thousand dollars, or as
10 much thereof as may be necessary, is appropriated for the biennium
11 ending June 30, 2009, from the general fund to the affordable housing
12 for all account to be distributed by the department of community,
13 trade, and economic development to statewide organizations addressing
14 affordable housing issues, homeless issues, or both, using a selection
15 method and distribution formula to be determined by the department, to
16 be used for creating comprehensive statewide affordable housing for all
17 plans consistent with the goals and performance measures of the state
18 and local affordable housing for all plans as described in this act.
19 Recipient organizations must present their affordable housing for all
20 plans to the appropriate committees of the legislature one year
21 following the receipt of appropriation funds.

22 NEW SECTION. Sec. 21. RCW 36.22.179, 36.22.1791, 43.20A.790, and
23 43.63A.650 are each recodified as sections in chapter 43.185C RCW.

24 NEW SECTION. Sec. 22. RCW 36.22.178, 43.185A.100, 43.185B.020,
25 and 43.185B.040 are each recodified as sections in chapter 43.--- RCW
26 (created in section 23 of this act).

27 NEW SECTION. Sec. 23. Sections 1 through 4, 6 through 10, 13, and
28 14 of this act constitute a new chapter in Title 43 RCW.

29 NEW SECTION. Sec. 24. If specific funding for the purposes of
30 sections 1 through 16 of this act, referencing this act by bill,
31 chapter, or section number, is not provided by June 30, 2008, in the
32 omnibus appropriations act, this act is null and void.

1 NEW SECTION. **Sec. 25.** Section 18 of this act expires March 1,
2 2009.

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