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HOUSE BILL 1511

State of Washington 67th Legislature 2021 Regular Session

By Representatives Bergquist, Taylor, Santos, Thai, Ormsby, Slatter, Hackney, and Lekanoff

Read first time 02/09/21. Referred to Committee on Housing, Human Services & Veterans.

- 1 AN ACT Relating to defining affordable housing for purposes of
- 2 using surplus public property for public benefit; and amending RCW
- 3 39.33.015.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 39.33.015 and 2018 c 217 s 3 are each amended to 6 read as follows:
- 7 (1) Any state agency, municipality, or political subdivision,

with authority to dispose of surplus public property, may transfer,

- 9 lease, or ((other disposal)) <u>otherwise dispose</u> of such property for a
- 10 public benefit purpose, consistent with and subject to this section.
- 11 Any such transfer, lease, or other disposal may be made to a public,
- 12 private, or nongovernmental body on any mutually agreeable terms and
- 13 conditions, including a no cost transfer, subject to and consistent
- 14 with this section. Consideration must include appraisal costs, debt
- 15 service, all closing costs, and any other liabilities to the agency,
- 16 municipality, or political subdivision. However, the property may not
- 17 be so transferred, leased, or disposed of if such transfer, lease, or
- 18 disposal would violate any bond covenant or encumber or impair any
- 19 contract.
- 20 (2) A deed, lease, or other instrument transferring or conveying 21 property pursuant to subsection (1) of this section must include:

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1 (a) A covenant or other requirement that the property shall be 2 used for the designated public benefit purpose; and

- (b) Remedies that apply if the recipient of the property fails to use it for the designated public purpose or ceases to use it for such purpose.
- (3) To implement the authority granted by this section, the governing body or legislative authority of a municipality or political subdivision must enact rules to regulate the disposition of property for public benefit purposes. Any transfer, lease, or other disposition of property authorized under this section must be consistent with existing locally adopted comprehensive plans as described in RCW 36.70A.070.
- (4) This section is deemed to provide a discretionary alternative method for the doing of the things authorized herein, and shall not be construed as imposing any additional condition upon the exercise of any other powers vested in any state agency, municipality, or political subdivision.
- (5) No transfer, lease, or other disposition of property for public benefit purposes made pursuant to any other provision of law prior to June 7, 2018, may be construed to be invalid solely because the parties thereto did not comply with the procedures of this section.
- (6) The transfer at no cost, lease, or other disposal of surplus real property for public benefit purposes is deemed a lawful purpose of any state agency, municipality, or political subdivision, for which accounts are kept on an enterprise fund or equivalent basis, regardless of the primary purpose or function of such agency.
- (7) This section does not apply to the sale or transfer of any state forestlands, any state lands or property granted to the state by the federal government for the purposes of common schools or education, or subject to a legal restriction that would be violated by compliance with this section.
 - (8) For purposes of this section:
- (a) "Affordable housing" means residential housing that is rented or owned by a person who qualifies as a very low-income or low-income household or who is from a special needs population, and whose monthly housing costs do not exceed:
- (i) For rental housing, 30 percent of the household's monthly income. For rental housing, monthly housing costs include utilities, other than a telephone; or

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	<u>(ii)</u> F	or owner-	-occupied	housing,	38 perce	ent of t	the hou	seholo	<u>d's</u>
mont	thly ir	ncome and	the tota	al househ	old debt	is no	more	than	45
perd	cent of	the mont	hly housel	nold incor	ne. For	owner-oc	cupied	housi	ng,
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fees	s, as a	pplicable	. Total del	ot include	es other	debt and	utilit	cies;	
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- (b) "Low-income household" means a single person, family, or unrelated persons living together whose income is more than 50 percent but is at or below 80 percent of the median income where the affordable housing is located;
- (c) "Public benefit" means affordable housing for low-income and very low-income households ((as defined in RCW 43.63A.510)), and related facilities that support the goals of affordable housing development in providing economic and social stability for low-income persons; ((and
- (b))) (d) "Surplus public property" means excess real property that is not required for the needs of or the discharge of the responsibilities of the state agency, municipality, or political subdivision; and
- (e) "Very low-income household" means a single person, family, or 21 unrelated persons living together whose income is at or below 50 percent of the median income, adjusted for household size, for the 22 23 county where the affordable housing is located.

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