
SECOND SUBSTITUTE HOUSE BILL 1359

State of Washington

60th Legislature

2007 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Miloscia, Chase, Hasegawa, Pettigrew, Springer, Ormsby, Roberts, Darneille, Goodman and Santos)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to providing affordable housing for all; amending
2 RCW 43.185B.040, 36.22.178, and 43.63A.650; reenacting and amending RCW
3 36.18.010; adding a new chapter to Title 43 RCW; creating new sections;
4 recodifying RCW 36.22.178, 43.185B.020, and 43.185B.040; and providing
5 expiration dates.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that there is a
8 large, unmet need for affordable housing in the state of Washington.
9 The legislature declares that a decent, appropriate, and affordable
10 home in a healthy, safe environment for every household should be a
11 state goal and that, at a minimum, this goal must be accomplished for
12 every low-income household by 2020. Furthermore, this goal includes
13 increasing the percentage of low-income households who are able to
14 obtain and retain housing without government subsidies or other public
15 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 low-income household in the state by 2020 is a necessary
24 component of the 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. In the development and implementation of the program, the
7 department shall consider: The funding level, number of county staff
8 available to implement the program, and competency of each county to
9 meet the goals of the program; and establish program guidelines,
10 performance measures, and reporting requirements appropriate to the
11 existing capacity of the participating counties.

12 NEW SECTION. **Sec. 4.** Unless the context clearly requires
13 otherwise, the definitions in this section apply throughout this
14 chapter.

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

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

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

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

30 (5) "Nonprofit organization" means any public or private nonprofit
31 organization that: (a) Is organized under federal, state, or local
32 laws; (b) has no part of its net earnings inuring to the benefit of any
33 member, founder, contributor, or individual; and (c) has among its
34 purposes, significant activities related to the provision of decent
35 housing that is affordable to extremely low-income, very low-income,
36 low-income, or moderate-income households and special needs
37 populations.

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

8 (7) "Affordable housing for all account" means the account in the
9 custody of the state treasurer receiving the state's portion of income
10 from the revenue of sources established by RCW 36.22.178 (as recodified
11 by this act) and all other sources directed to the affordable housing
12 for all program.

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

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

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

28 (11) "Quality management program" means a nationally recognized
29 program using criteria similar or equivalent to the Baldrige criteria.
30 Beginning in 2009, all cities, towns, and counties receiving over five
31 hundred thousand dollars a year during the previous calendar year from
32 (a) state housing-related funding sources, including the housing trust
33 fund, (b) housing finance commission programs, (c) the affordable
34 housing for all program surcharge in RCW 36.22.178 (as recodified by
35 this act), (d) the homeless housing and assistance program surcharge in
36 RCW 36.22.179, and (e) any other surcharge charged under chapter 36.22
37 RCW to fund homelessness programs shall apply to the full examination
38 Washington state quality award program once every three years beginning

1 by January 1, 2010. The Washington state housing finance commission
2 must apply to the full examination Washington state quality award
3 program by December 31, 2009, and at least once every three years
4 thereafter.

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

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

16 (14) "County affordable housing for all plan" or "county plan"
17 means the plan developed by each county with the goal of ensuring that
18 every very low-income household in the county has a decent,
19 appropriate, and affordable home in a healthy, safe environment by
20 2020.

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

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

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

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

1 (19) "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 (20) "Authority" or "housing authority" means any of the public
7 corporations created by RCW 35.82.030.

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

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

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

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

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

28 (c) Establish, evaluate, and report upon interim goals and
29 timelines that are determined by the department and by which the state
30 and counties may be measured;

31 (d) Establish, evaluate, and report upon performance measures,
32 including the performance measures outlined in section 6 of this act,
33 for all state housing programs, as well as all housing programs
34 operated by or coordinated by city and county governments, including
35 local housing-related levy initiatives, housing-related tax exemption
36 programs, and federally funded programs operated or coordinated by the
37 state or local governments;

1 (e) Evaluate and report upon all counties' use of the affordable
2 housing for all program surcharge funds provided for in RCW 36.22.178
3 (as recodified by this act) and all other sources directed to the
4 counties' affordable housing for all programs;

5 (f) Report upon how housing trust fund awards within the previous
6 one-year period are consistent with the plan and have contributed to
7 the goal of the affordable housing for all program; and ((to))

8 (g) Facilitate state and county government planning to meet the
9 state affordable housing ((needs of the state, and to enable the
10 development of sound strategies and programs for affordable housing))
11 for all goal.

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

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

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

17 (i) A report on the number and percentage of persons or households
18 statewide and in each county in each income level decile who are
19 currently living in housing that is not affordable given their wage
20 level;

21 (ii) A report on the number of additional affordable rental housing
22 units that are needed statewide and in each county to house persons or
23 households at each wage level decile;

24 (iii) A report of the number and percentage of persons or
25 households identified as having special needs statewide and in each
26 county who are not adequately and affordably housed;

27 (iv) An estimate of the additional housing units needed statewide
28 and in each county for each special needs population category;

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

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

36 (e) An estimate of the supply of homes available for purchase
37 statewide and in each county that are affordable to each wage level
38 decile;

1 (f) An estimate of the number of affordable homes for purchase
2 needed for each wage level decile to achieve the state's homeownership
3 goal, as determined by the department and included in the state
4 affordable housing for all plan, unless established by the legislature;

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

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

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

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

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

25 (l) Identification of key root causal factors of the affordable
26 housing shortage and the inability of very low-income households to
27 obtain and retain appropriate housing, and identification of possible
28 preventative strategies and related 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.

7 ~~((2)(a))~~ (4) The ~~((five-year))~~ state affordable housing
8 ~~((advisory))~~ for all plan required under ~~((subsection (1) of))~~ this
9 section must be submitted to the appropriate committees of the
10 legislature on or before ~~((February 1, 1994))~~ December 31, 2008, and
11 subsequent updated plans must be submitted ~~((every five years))~~ by
12 December 31st each year thereafter.

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

17 (5) To guide counties in preparation of county affordable housing
18 for all plans required under section 8 of this act, the department
19 shall issue, by December 31, 2007, guidelines for preparing county
20 plans consistent with this chapter. County plans must be substantially
21 consistent with the goals and program recommendations of the state
22 affordable housing for all plan and must include, at a minimum, the
23 same information analysis, on a local level, as described in subsection
24 (3) of this section and must include the performance measures outlined
25 in section 6 of this act.

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

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

1 organizations, shall create affordable housing for all program outcomes
2 and performance measures and goals addressing, at a minimum, the
3 success of the state and each county in the following areas:

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

7 (b) A measure of the increase in affordable rental housing;

8 (c) A measure of the increase in self-sufficiency amongst
9 individuals and families;

10 (d) A measure of the increase in individuals' and family wages;

11 (e) A measure of community support for the state and county plans;

12 (f) A measure of county government financial support for the
13 program;

14 (g) A measure of the financial viability of the state and county
15 plans;

16 (h) A measure of the financial efficiency of the housing programs
17 funded by the county;

18 (i) A measure of the quality of the state and county plans; and

19 (j) A measure of the quality of the management of county
20 governments.

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

27 (2) Performance measures and yearly targets must be established by
28 December 31, 2007, and must be reviewed annually by the department
29 after soliciting feedback from all county affordable housing for all
30 task forces.

31 (3) The department may determine a timeline to implement and
32 measure each performance measure for the state and county plans, except
33 that the state and all counties participating in the affordable housing
34 for all program must implement and respond to all performance measures
35 by January 1, 2010, unless the department determines that a performance
36 measure is not applicable to a specific county based on parameters and
37 thresholds established by the department.

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

20 NEW SECTION. **Sec. 8.** (1) Each county shall direct its affordable
21 housing task force to prepare and recommend to its county legislative
22 authority a county affordable housing for all plan for its
23 jurisdictional area. Each county shall adopt a county plan by June 30,
24 2008, and update the plan annually by June 30th thereafter. All plans
25 must be forwarded to the department by the date of adoption. County
26 affordable housing for all plans may be combined with the local
27 homeless housing plans required under RCW 43.185C.040 or any other
28 existing plan addressing housing within a county as long as the
29 requirements of all of the plans to be merged are met. For counties
30 required or choosing to plan under RCW 36.70A.040, county affordable
31 housing for all plans must be consistent with the housing elements of
32 comprehensive plans described in RCW 36.70A.070(2). County plans must
33 also be consistent with any existing local homeless housing plan
34 required in RCW 43.185C.050.

35 (2) County affordable housing for all plans must be primarily
36 focused on (a) ensuring that every very low-income household in the
37 county jurisdictional area has a decent, appropriate, and affordable

1 home in a healthy, safe environment by 2020 and (b) increasing the
2 percentage of very low-income households that access affordable housing
3 without government assistance. County plans must include information
4 and performance measurement data where available on all city and county
5 housing programs, including local housing-related levy initiatives,
6 housing-related tax exemption programs, and federally funded programs
7 operated or coordinated by the state or local governments. County
8 plans must be substantially consistent with the goals, performance
9 measures, and program recommendations of the state affordable housing
10 for all plan and must include, at a minimum, the same information,
11 analysis, and performance measures as described in RCW 43.185B.040 (as
12 recodified by this act) and section 6 of this act. In addition to
13 these performance measures, counties must report on a common
14 performance measure, to be determined by the department, measuring the
15 health and safety of tenants of affordable rental housing. All towns,
16 cities, and counties must report information related to this
17 performance measure to the county task force to the greatest extent
18 practicable using available funds. Counties shall report on
19 achievements according to stated performance measures to the department
20 annually by December 1st, beginning in 2008.

21 (3) County affordable housing for all plans must include timelines
22 for the accomplishment of interim goals and targets, and for the
23 acquisition of projected financing that is appropriate for outlined
24 goals and targets. Plans must also include state legislative
25 recommendations to enable the county to achieve its affordable housing
26 for all goals. Legislative recommendations must be specific and, if
27 necessary, include an estimated amount of funding required and
28 suggestions of an appropriate funding source.

29 (4) Each year, the department shall:

30 (a) Summarize key information from county plans, including a
31 summary of local city and county housing program activities and a
32 summary of legislative recommendations;

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

34 (c) Conduct annual performance evaluations of all counties
35 according to their performance in achieving stated affordable housing
36 goals in their plans.

37 (5) The department shall present the summary of county affordable

1 housing for all plans and the results of performance evaluations to the
2 appropriate committees of the legislature annually on or before
3 December 31st.

4 NEW SECTION. **Sec. 9.** (1) Any county may decline to participate in
5 the affordable housing for all program authorized in this chapter by
6 forwarding to the department a resolution adopted by the county
7 legislative authority stating the intention not to participate. A copy
8 of the resolution must also be transmitted to the county auditor and
9 treasurer. Counties that decline to participate shall not be required
10 to establish an affordable housing task force or to create a county
11 affordable housing for all plan. Counties declining to participate in
12 the affordable housing for all program shall continue to collect and
13 utilize the affordable housing for all surcharge for the purposes
14 described in RCW 36.22.178; however, such counties shall not be
15 allocated any additional affordable housing for all program funding.
16 Counties may opt back into the affordable housing for all program
17 authorized by this chapter at a later date through a process and
18 timeline to be determined by the department.

19 (2) If a county declines to participate in the affordable housing
20 for all program authorized in this chapter, a city or formally
21 organized collaborative of cities within that county may forward a
22 resolution to the department stating its intention and willingness to
23 operate an affordable housing for all program within its jurisdictional
24 limits. The department must establish procedures to choose amongst
25 cities or collaboratives of cities in the event that more than one city
26 or collaborative of cities express an interest in participating in the
27 program. Participating cities or collaboratives of cities must fulfill
28 the same requirements as counties participating in the affordable
29 housing for all program.

30 NEW SECTION. **Sec. 10.** A county may subcontract with any other
31 county, city, town, housing authority, community action agency, or
32 other nonprofit organization for the execution of programs contributing
33 to the affordable housing for all goal. All subcontracts must be:
34 Consistent with the county affordable housing for all plan adopted by
35 the legislative authority of the county; time limited; and filed with
36 the department, and must have specific performance terms as specified

1 by the county. County governments must strongly encourage all
2 subcontractors under the affordable housing for all program to apply to
3 the full examination Washington state quality award program. This
4 authority to subcontract with other entities does not affect
5 participating counties' ultimate responsibility for meeting the
6 requirements of the affordable housing for all program.

7 **Sec. 11.** RCW 36.22.178 and 2005 c 484 s 18 are each amended to
8 read as follows:

9 The surcharge provided for in this section shall be named the
10 affordable housing for all program surcharge.

11 (1) Except as provided in subsection ~~((2))~~ (3) of this section,
12 a surcharge of ten dollars per instrument shall be charged by the
13 county auditor for each document recorded, which will be in addition to
14 any other charge authorized by law. The county may retain up to five
15 percent of these funds collected solely for the collection,
16 administration, and local distribution of these funds. Of the
17 remaining funds, forty percent of the revenue generated through this
18 surcharge will be transmitted monthly to the state treasurer who will
19 deposit the funds into the ~~((Washington housing trust account))~~
20 affordable housing for all account created in section 12 of this act.
21 The office of community development of the department of community,
22 trade, and economic development will develop guidelines for the use of
23 these funds to support building operation and maintenance costs of
24 housing projects or units within housing projects that are affordable
25 to extremely low-income ~~((persons))~~ households with incomes at or below
26 thirty percent of the area median income, and that require a supplement
27 to rent income to cover ongoing operating expenses.

28 (2) All of the remaining funds generated by this surcharge will be
29 retained by the county and be deposited into a fund that must be used
30 by the county and its cities and towns for eligible housing ~~((projects~~
31 ~~or units within housing projects that are affordable to))~~ activities as
32 described in this subsection that serve very low-income ~~((persons))~~
33 households with incomes at or below fifty percent of the area median
34 income. The portion of the surcharge retained by a county shall be
35 allocated to eligible housing activities that serve extremely low and
36 very low-income ~~((housing projects or units within such housing~~
37 ~~projects))~~ households in the county and the cities within a county

1 according to an interlocal agreement between the county and the cities
2 within the county consistent with countywide and local housing needs
3 and policies. ~~((The funds generated with this surcharge shall not be
4 used for construction of new housing if at any time the vacancy rate
5 for available low income housing within the county rises above ten
6 percent. The vacancy rate for each county shall be developed using the
7 state low income vacancy rate standard developed under subsection (3)
8 of this section. Uses of))~~ A priority must be given to eligible
9 housing activities that serve extremely low-income households with
10 incomes at or below thirty percent of the area median income. For
11 counties participating in the affordable housing for all program, all
12 eligible housing activities funded must be consistent with strategies
13 outlined in the county affordable housing for all plan. Eligible
14 housing activities to be funded by these ((local)) county funds are
15 limited to:

16 (a) Acquisition, construction, or rehabilitation of housing
17 projects or units within housing projects that are affordable to very
18 low-income ~~((persons))~~ households with incomes at or below fifty
19 percent of the area median income, including units for homeownership,
20 rental units, seasonal and permanent farm worker housing units, and
21 single room occupancy units;

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

28 (c) Rental assistance vouchers for housing ~~((projects or))~~ units
29 ~~((within housing projects))~~ that are affordable to very low-income
30 ~~((persons))~~ households with incomes at or below fifty percent of the
31 area median income, to be administered by a local public housing
32 authority or other local organization that has an existing rental
33 assistance voucher program, consistent with or similar to the United
34 States department of housing and urban development's section 8 rental
35 assistance voucher program standards. The department shall develop
36 statewide guidelines for rental assistance programs by 2008, which must
37 include, at a minimum, guidelines and related performance measures to

1 ensure acceptable housing quality for voucher recipients, as well as
2 tenant protections consistent with federal section 8 rental assistance
3 voucher program standards; and

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

6 ~~((+2)) (3)~~ The surcharge imposed in this section does not apply to
7 assignments or substitutions of previously recorded deeds of trust.

8 ~~((3) The real estate research center at Washington State~~
9 ~~University shall develop a vacancy rate standard for low income housing~~
10 ~~in the state as described in RCW 18.85.540(1)(i))~~

11 (4) All counties shall report at least annually upon receipts and
12 expenditures of the affordable housing for all program surcharge funds
13 created in this section to the department. The department may require
14 more frequent reports. The report must include the amount of funding
15 generated by the surcharge, the total amount of funding distributed to
16 date, the amount of funding allocated to each eligible housing
17 activity, a description of each eligible housing activity funded,
18 including information on the income or wage level and numbers of
19 extremely low and low-income households the eligible housing activity
20 is intended to serve, and the outcome or anticipated outcome of each
21 eligible housing activity. Counties participating in the affordable
22 housing for all program shall also report annually on performance
23 measures, including performance measures outlined in section 6 of this
24 act and others to be determined by the department, related to uses of
25 the affordable housing for all program surcharge funds.

26 NEW SECTION. Sec. 12. The affordable housing for all account is
27 created in the custody of the state treasurer. The state's portion of
28 the surcharge established in RCW 36.22.178 (as recodified by this act)
29 shall be deposited in the account, as well as all other sources
30 directed to the affordable housing for all program. Expenditures from
31 the account may only be used for the affordable housing for all program
32 as described in this chapter. Only the director or the director's
33 designee may authorize expenditures from the account. The account is
34 subject to allotment procedures under chapter 43.88 RCW, but an
35 appropriation is not required for expenditures.

1 **Sec. 13.** RCW 36.18.010 and 2005 c 484 s 19 and 2005 c 374 s 1 are
2 each reenacted and amended to read as follows:

3 County auditors or recording officers shall collect the following
4 fees for their official services:

5 (1) For recording instruments, for the first page eight and one-
6 half by fourteen inches or less, five dollars; for each additional page
7 eight and one-half by fourteen inches or less, one dollar. The fee for
8 recording multiple transactions contained in one instrument will be
9 calculated for each transaction requiring separate indexing as required
10 under RCW 65.04.050 as follows: The fee for each title or transaction
11 is the same fee as the first page of any additional recorded document;
12 the fee for additional pages is the same fee as for any additional
13 pages for any recorded document; the fee for the additional pages may
14 be collected only once and may not be collected for each title or
15 transaction;

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

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

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

24 (5) For issuing a marriage license, eight dollars, (this fee
25 includes taking necessary affidavits, filing returns, indexing, and
26 transmittal of a record of the marriage to the state registrar of vital
27 statistics) plus an additional five-dollar fee for use and support of
28 the prevention of child abuse and neglect activities to be transmitted
29 monthly to the state treasurer and deposited in the state general fund
30 plus an additional ten-dollar fee to be transmitted monthly to the
31 state treasurer and deposited in the state general fund. The
32 legislature intends to appropriate an amount at least equal to the
33 revenue generated by this fee for the purposes of the displaced
34 homemaker act, chapter 28B.04 RCW;

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

36 (7) For recording plats, fifty cents for each lot except cemetery
37 plats for which the charge shall be twenty-five cents per lot; also one

1 dollar for each acknowledgment, dedication, and description: PROVIDED,
2 That there shall be a minimum fee of twenty-five dollars per plat;

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

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

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

12 (11) For recording instruments, a surcharge as provided in RCW
13 36.22.178 (as recodified by this act); and

14 (~~((12))~~) (12) For recording instruments, except for documents
15 recording a birth, marriage, divorce, or death or any documents
16 otherwise exempted from a recording fee under state law, a surcharge as
17 provided in RCW 36.22.179.

18 NEW SECTION. Sec. 14. This chapter does not require either the
19 department or any local government to expend any funds to accomplish
20 the goals of this chapter other than the revenues authorized in this
21 act and other revenue that may be appropriated by the legislature for
22 these purposes. However, neither the department nor any local
23 government may use any funds authorized in this act to supplant or
24 reduce any existing expenditures of public money to address the
25 affordable housing shortage.

26 NEW SECTION. Sec. 15. The joint legislative audit and review
27 committee shall conduct a performance audit of the state affordable
28 housing for all program every four years. The audit must include an
29 analysis of the department's expenditures of funds from sources
30 established by RCW 36.22.178 (as recodified by this act) and all other
31 sources directed to the affordable housing for all program. The first
32 audit must be conducted on or before December 31, 2010. Each audit
33 must take no longer than six months or fifty thousand dollars to
34 complete.

1 NEW SECTION. **Sec. 16.** (1) The joint legislative audit and review
2 committee shall conduct an evaluation and comparison of the cost-
3 efficiency of rental housing voucher programs funded with state or
4 local moneys versus other low-income housing projects funded with state
5 or local moneys that are intended to assist low-income households to
6 obtain and retain affordable housing. The study must consider factors
7 including administrative costs, capital costs, and other operating
8 costs involved in the implementation and management of rental housing
9 voucher programs. The study must compare the number of households that
10 may be served, given a set amount of available funds, through rental
11 housing voucher programs funded with state or local moneys with other
12 housing projects funded with state or local moneys, including new
13 construction and rehabilitation of housing units. The department of
14 community, trade, and economic development, the Washington state
15 housing finance commission, housing authorities, community action
16 agencies, and local governments shall provide the joint legislative
17 audit and review committee with information necessary for the
18 evaluation study.

19 (2) The joint legislative audit and review committee shall solicit
20 input regarding the study from interested parties, including
21 representatives from the affordable housing advisory board, the
22 department of community, trade, and economic development, the
23 Washington state housing finance commission, representatives from the
24 private rental housing industry, housing authorities, community action
25 agencies, county and city governments, and nonprofit and for-profit
26 housing developers.

27 (3) The joint legislative audit and review committee shall present
28 the results of this study to the appropriate committees of the
29 legislature by December 31, 2008.

30 (4) This section expires December 31, 2008.

31 NEW SECTION. **Sec. 17.** (1) The department, the Washington state
32 housing finance commission, the affordable housing advisory board, and
33 all participating county governments, housing authorities, and other
34 nonprofit organizations receiving state funds, county affordable
35 housing for all surcharge funds, or financing through the housing
36 finance commission, shall, by December 31, 2007, and annually
37 thereafter, review current housing reporting requirements related to

1 housing programs and services and give recommendations to the
2 legislature to streamline and simplify all planning and reporting
3 requirements. The entities listed in this section shall also give
4 recommendations for additional legislative actions that could promote
5 the affordable housing for all goal.

6 (2) The department shall collaborate with the Washington state
7 housing finance commission and representatives from statewide
8 organizations representing counties, cities, housing authorities,
9 nonprofit groups involved in affordable housing, and other interested
10 parties, to create a strategy to streamline and, when possible,
11 consolidate state, city, town, and county reporting requirements to
12 address the inefficiencies associated with multiple reporting
13 requirements. The department shall present the strategy to the
14 appropriate committees of the legislature by December 31, 2007.

15 **Sec. 18.** RCW 43.63A.650 and 1999 c 267 s 3 are each amended to
16 read as follows:

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

29 (2) The department shall work with (~~local governments~~) cities,
30 towns, counties, tribal organizations, local housing authorities,
31 nonprofit community or neighborhood-based organizations, and regional
32 or statewide nonprofit housing assistance organizations, for the
33 purpose of coordinating federal and state resources with local
34 resources for housing.

35 (3) The department shall be the principal state department
36 responsible for providing shelter and housing services to homeless
37 families with children. The department shall have the principal

1 responsibility to coordinate, plan, and oversee the state's activities
2 for developing a coordinated and comprehensive plan to serve homeless
3 families with children. The plan shall be developed collaboratively
4 with the department of social and health services. The department
5 shall include community organizations involved in the delivery of
6 services to homeless families with children, and experts in the
7 development and ongoing evaluation of the plan. The department shall
8 follow professionally recognized standards and procedures. The plan
9 shall be implemented within amounts appropriated by the legislature for
10 that specific purpose in the operating and capital budgets. The
11 department shall submit the plan to the appropriate committees of the
12 senate and house of representatives no later than September 1, 1999,
13 and shall update the plan and submit it to the appropriate committees
14 of the legislature by January 1st of every odd-numbered year through
15 2007. The plan shall address at least the following: (a) The need for
16 prevention assistance; (b) the need for emergency shelter; (c) the need
17 for transitional assistance to aid families into permanent housing; (d)
18 the need for linking services with shelter or housing; and (e) the need
19 for ongoing monitoring of the efficiency and effectiveness of the
20 plan's design and implementation.

21 NEW SECTION. **Sec. 19.** RCW 36.22.178, 43.185B.020, and 43.185B.040
22 are each recodified as sections in chapter 43.--- RCW (created in
23 section 20 of this act).

24 NEW SECTION. **Sec. 20.** Sections 1 through 4, 6 through 10, 12, 14,
25 and 15 of this act constitute a new chapter in Title 43 RCW.

26 NEW SECTION. **Sec. 21.** If specific funding for the purposes of
27 this act, referencing this act by bill or chapter number, is not
28 provided by June 30, 2007, in the omnibus appropriations act, this act
29 is null and void.

--- END ---