
HOUSE BILL 1359

State of Washington 60th Legislature 2007 Regular Session

By Representatives Miloscia, Chase, Hasegawa, Pettigrew, Springer, Ormsby, Roberts, Darneille, Goodman and Santos

Read first time 01/17/2007. Referred to Committee on Housing.

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; making
5 appropriations; and providing 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 very low-income household by 2020. Furthermore, this goal
13 includes increasing the percentage of very low-income households who
14 are able to obtain and retain housing without government subsidies or
15 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 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 or local government
5 in connection with its strategy 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 similar or equivalent to the Baldrige criteria. All local
30 governments receiving over five hundred thousand dollars from (a) state
31 funding sources, including the housing trust fund, (b) housing finance
32 commission programs, (c) the affordable housing for all program
33 surcharge in RCW 36.22.178 (as recodified by this act), (d) the
34 homeless housing and assistance program surcharge in RCW 36.22.179, and
35 (e) any other surcharge charged under chapter 36.22 RCW to fund
36 homelessness programs shall implement a quality management program,
37 perform a quality self-assessment, and apply to the Washington state
38 quality award program by December 31, 2009, and at least once every

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

4 (12) "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 (13) "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 (14) "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 (15) "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 (16) "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 (17) "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 (18) "Local government" means a county or city government in the
34 state of Washington.

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

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

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

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

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

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

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

24 (d) Establish, evaluate, and report upon performance measures,
25 including the performance measures outlined in section 6 of this act,
26 for the state and for county governments;

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

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

34 (g) Facilitate state and county government planning to meet the
35 state affordable housing ((needs of the state, and to enable the
36 development of sound strategies and programs for affordable housing))
37 for all goal.

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

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

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

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

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

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

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

18 (c) An inventory of the supply and geographic distribution of
19 affordable housing rental units made available through public and
20 private sector programs;

21 (d) An inventory of the homeownership units under public or
22 nonprofit control through a trust or covenant limiting the economic
23 value of the unit made available through public and private sector
24 programs;

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

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

32 (g) A status report on the degree of progress made by the public
33 and private sector toward meeting the housing needs of the state and
34 each county and major city in the state, where information is
35 available;

36 ((e+)) (h) An identification of state and local regulatory
37 barriers to affordable housing and proposed regulatory and

1 administrative techniques designed to remove barriers to the
2 development and placement of affordable housing; ~~((and~~
3 ~~(f))~~) (i) An analysis, statewide and within each county and major
4 city, of the primary contributors to the cost of housing and an outline
5 of potential strategies to keep the increasing cost of housing below
6 the relative rise in wages;
7 (j) Specific recommendations, policies, or proposals for meeting
8 the affordable housing needs of the state;
9 (k) Identification of key root causal factors of the affordable
10 housing shortage and the inability of very low-income households to
11 obtain and retain appropriate housing, and identification of possible
12 preventative strategies and related performance measures;
13 (l) A report on the growth in the population of persons in each
14 wage level decile statewide and for each county;
15 (m) A determination of the cost to the state of the affordable
16 housing shortage;
17 (n) A report of any differences in the rates of inflation between
18 median house prices, median rent for a two-bedroom apartment, and
19 median family income for persons or households in each wage level
20 decile;
21 (o) A summary of the recommendations of the affordable housing
22 advisory board report as required in RCW 43.185B.030;
23 (p) A response to all county legislative and policy recommendations
24 included in county affordable housing for all plans as well as proposed
25 strategies to address issues raised in the county plans; and
26 (q) A summary report of the department's evaluations of the
27 operations and accomplishments of other state departments and agencies
28 as they affect housing as required in RCW 43.63A.650.
29 ~~((2)(a))~~ (4) The ~~((five-year))~~ state affordable housing
30 ~~((advisory))~~ for all plan required under ~~((subsection (1) of))~~ this
31 section must be submitted to the appropriate committees of the
32 legislature on or before ~~((February 1, 1994))~~ December 31, 2008, and
33 subsequent updated plans must be submitted ~~((every five years))~~ by
34 December 31st each year thereafter.
35 ~~((b) Each February 1st, beginning February 1, 1995, the department~~
36 ~~shall submit an annual progress report, to the legislature, detailing~~
37 ~~the extent to which the state's affordable housing needs were met~~
38 ~~during the preceding year and recommendations for meeting those needs))~~

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

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

14 NEW SECTION. Sec. 6. (1) The department, in consultation with a
15 task force established by the department consisting of the chairs of
16 the appropriate committees of the legislature, representatives
17 appointed by the director from a minimum of five county affordable
18 housing for all task forces representing urban and rural areas as well
19 as communities east and west of the Cascade mountains, and
20 representatives from statewide housing advocacy organizations, shall
21 create affordable housing for all program outcomes and performance
22 measures and goals addressing, at a minimum, the success of the state
23 and each county in the following areas:

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

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

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

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

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

32 (f) A measure of county government financial support for the
33 program;

34 (g) A measure of the financial viability of the state and county
35 plans;

36 (h) A measure of the quality of the state and county plans; and

1 (i) A measure of the quality of the management of county
2 governments.

3 Measurement reporting must be subdivided by county, major city, and
4 political geography, and yearly targets for these results must be
5 included. Performance measures must be included in the department's
6 state affordable housing for all plan and all county affordable housing
7 for all plans.

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

12 (3) The department may determine a timeline to implement and
13 measure each performance measure for the state and county plans, except
14 that the state and all counties participating in the affordable housing
15 for all program must implement and respond to all performance measures
16 by December 31, 2010, unless the department determines that a
17 performance measure is not applicable to a specific county based on
18 parameters and thresholds established by the department.

19 NEW SECTION. **Sec. 7.** Each county shall convene a county
20 affordable housing task force. The task force must be a committee,
21 made up of volunteers, created to prepare and recommend to the county
22 legislative authority a county affordable housing for all plan and also
23 to recommend appropriate expenditures of the affordable housing for all
24 program funds provided for in RCW 36.22.178 (as recodified by this act)
25 and any other sources directed to the county program. The county
26 affordable housing task force must include a representative of the
27 county, a representative from the city with the highest population in
28 the county, a representative from all other cities in the county with
29 a population greater than fifty thousand, a member representing
30 beneficiaries of affordable housing programs, other members as may be
31 required to maintain eligibility for federal funding related to housing
32 programs and services, and a representative of a private nonprofit
33 organization with experience in very low-income housing. The task
34 force may be the same as the homeless housing task force created in RCW
35 43.185C.160 or the same as another existing task force or other formal
36 committee that meets the requirements of this section.

1 NEW SECTION. **Sec. 8.** (1) Each county shall direct its affordable
2 housing task force to prepare and recommend to its county legislative
3 authority a county affordable housing for all plan for its
4 jurisdictional area. Each county shall adopt a county plan by June 30,
5 2008, and update the plan annually by June 30th thereafter. All plans
6 must be forwarded to the department by the date of adoption. County
7 affordable housing for all plans may be combined with the local
8 homeless housing plans required under RCW 43.185C.040 or any other
9 existing plan addressing housing within a county as long as the
10 requirements of all of the plans to be merged are met. For counties
11 required or choosing to plan under RCW 36.70A.040, county affordable
12 housing for all plans must be consistent with the housing elements of
13 comprehensive plans described in RCW 36.70A.070(2). County plans must
14 also be consistent with any existing local homeless housing plan
15 required in RCW 43.185C.050.

16 (2) County affordable housing for all plans must be primarily
17 focused on (a) ensuring that every very low-income household in the
18 county jurisdictional area has a decent, appropriate, and affordable
19 home in a healthy, safe environment by 2020 and (b) increasing the
20 percentage of very low-income households that access affordable housing
21 without government assistance. County plans must also be substantially
22 consistent with the goals, performance measures, and program
23 recommendations of the state affordable housing for all plan and must
24 include, at a minimum, the same information, analysis, and performance
25 measures as described in RCW 43.185B.040 (as recodified by this act)
26 and section 6 of this act. In addition to these performance measures,
27 counties must report on a common performance measure, to be determined
28 by the department, measuring the health and safety of tenants of
29 affordable rental housing. All local governments within a county,
30 including towns, cities, and counties, must report information related
31 to this performance measure to the county task force. Counties shall
32 report on achievements according to stated performance measures to the
33 department annually by December 1st, beginning in 2008.

34 (3) County affordable housing for all plans must include timelines
35 for the accomplishment of interim goals and targets, and for the
36 acquisition of projected financing that is appropriate for outlined
37 goals and targets. Plans must also include state legislative
38 recommendations to enable the county to achieve its affordable housing

1 for all goals. Legislative recommendations must be specific and, if
2 necessary, include an estimated amount of funding required and
3 suggestions of an appropriate funding source.

4 (4) Each year, the department shall:

5 (a) Summarize key information from county plans, including a
6 summary of legislative recommendations;

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

8 (c) Conduct annual performance evaluations of all counties
9 according to their performance in achieving stated affordable housing
10 goals in their plans.

11 (5) The department shall present the summary of county affordable
12 housing for all plans and the results of performance evaluations to the
13 appropriate committees of the legislature annually on or before
14 December 31st.

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

30 NEW SECTION. **Sec. 10.** A county may subcontract with any other
31 local government, housing authority, community action agency, or other
32 nonprofit organization for the execution of programs contributing to
33 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
3 implement a quality management program and apply to the Washington
4 state quality award program. This authority to subcontract with other
5 entities does not affect participating counties' ultimate
6 responsibility for meeting the requirements of the affordable housing
7 for all program.

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

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

12 (1) Except as provided in subsection ((2)) (3) of this section,
13 a surcharge of ten dollars per instrument shall be charged by the
14 county auditor for each document recorded, which will be in addition to
15 any other charge authorized by law. The county may retain up to five
16 percent of these funds collected solely for the collection,
17 administration, and local distribution of these funds. Of the
18 remaining funds, forty percent of the revenue generated through this
19 surcharge will be transmitted monthly to the state treasurer who will
20 deposit the funds into the (~~Washington housing trust account. The~~
21 ~~office of community development of the department of community, trade,~~
22 ~~and economic development will develop guidelines for the use of these~~
23 ~~funds to support~~) affordable housing for all account created in
24 section 12 of this act. The department must use these funds to fund:

25 (a) Building operation and maintenance costs of housing projects or
26 units within housing projects that are affordable to extremely low-
27 income ((persons)) households with incomes at or below thirty percent
28 of the area median income, and that require a supplement to rent income
29 to cover ongoing operating expenses;

30 (b) Department planning, evaluation, and reporting requirements
31 associated with or of the affordable housing for all program; and

32 (c) Technical assistance efforts to assist counties to meet
33 planning, reporting, evaluation, and quality management requirements of
34 the affordable housing for all program.

35 (2) All of the remaining funds generated by this surcharge will be
36 retained by the county and be deposited into a fund that must be used
37 by the county and its cities and towns for housing projects or units

1 within housing projects that are affordable to very low-income
2 (~~persons~~) households with incomes at or below fifty percent of the
3 area median income. The portion of the surcharge retained by a county
4 shall be allocated to very low-income housing projects or units within
5 such housing projects in the county and the cities within a county
6 (~~according to an interlocal agreement between the county and the~~
7 ~~cities within the county~~), or for programs and services to serve
8 extremely low or very low-income households, consistent with countywide
9 and local housing needs and policies. (~~The funds generated with this~~
10 ~~surcharge shall not be used for construction of new housing if at any~~
11 ~~time the vacancy rate for available low income housing within the~~
12 ~~county rises above ten percent. The vacancy rate for each county shall~~
13 ~~be developed using the state low income vacancy rate standard developed~~
14 ~~under subsection (3) of this section.~~) A priority must be given to
15 projects or units within projects, or programs and services that are
16 affordable to extremely low-income households with incomes at or below
17 thirty percent of the area median income. For counties participating
18 in the affordable housing for all program, all programs and projects
19 funded must be consistent with strategies outlined in the county
20 affordable housing for all plan. Uses of these (~~local~~) county funds
21 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 (~~persons~~) households with incomes at or below fifty
25 percent of the area median income, including units for homeownership,
26 rental units, seasonal and permanent farm worker housing units, and
27 single room 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 (~~persons~~)
31 households with incomes at or below fifty percent of the area median
32 income, and that require a supplement to rent income to cover ongoing
33 operating expenses;

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

1 assistance voucher program(~~(, consistent with the United States~~
2 ~~department of housing and urban development's section 8 rental~~
3 ~~assistance voucher program standards)~~). The department shall develop
4 statewide guidelines for a rental assistance program by 2008; ((and))

5 (d) Operating costs for emergency shelters and licensed overnight
6 youth shelters;

7 (e) Housing programs and projects or housing services specifically
8 referenced in the county affordable housing for all plan; and

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

10 ~~((+2))~~ (3) The surcharge imposed in this section does not apply to
11 assignments or substitutions of previously recorded deeds of trust.

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

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

29 NEW SECTION. Sec. 12. The affordable housing for all account is
30 created in the custody of the state treasurer. The state's portion of
31 the surcharge established in RCW 36.22.178 (as recodified by this act)
32 shall be deposited in the account, as well as all other sources
33 directed to the affordable housing for all program. Expenditures from
34 the account may only be used for the affordable housing for all program
35 as described in this chapter. Only the director or the director's
36 designee may authorize expenditures from the account. The account is

1 subject to allotment procedures under chapter 43.88 RCW, but an
2 appropriation is not required for expenditures.

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

5 County auditors or recording officers shall collect the following
6 fees for their official services:

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

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

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

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

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

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

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

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

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

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

14 (11) For recording instruments, a surcharge as provided in RCW
15 36.22.178 (as recodified by this act); and

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

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

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

1 NEW SECTION. **Sec. 16.** (1)(a) The department of community, trade,
2 and economic development shall conduct a study to evaluate the
3 potential development of a voluntary statewide, low-income household
4 housing waiting list database that would include information on all
5 low-income households requesting housing assistance for the purpose of
6 connecting such households with appropriate housing opportunities. The
7 study shall investigate and evaluate the following:

8 (i) The anticipated benefits of a statewide waiting list database
9 for low-income households and low-income housing providers;

10 (ii) The cost of implementing and maintaining the database; and

11 (iii) Best practices from other states or from counties in other
12 states that currently have a similar database.

13 (b) The department shall report the results of this study to the
14 appropriate committees of the legislature by December 31, 2008.

15 (2) This section expires December 31, 2008.

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

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

31 (3) The database must include information about rental units as
32 determined by the department. However, the database must include, at
33 a minimum, measures for location, cost, and size.

34 (4) Other state agencies, local governments, local public agencies,
35 including water and sewer districts, housing authorities, and other
36 housing organizations shall cooperate with the department to create and

1 update the affordable housing database by providing to the department
2 any requested existing information about rental housing units within
3 the jurisdiction.

4 (5) The database must be searchable by the department, local
5 governments, community housing organizations, including housing
6 authorities, and the public according to housing characteristics
7 determined by the department including, at a minimum, location, cost,
8 and size. The database will be utilized for data collection about
9 Washington's affordable rental housing stock and will also serve as a
10 low-income housing referral system to connect low-income households
11 seeking housing with appropriate and available units.

12 NEW SECTION. **Sec. 18.** (1) The department shall create a statewide
13 affordable homeownership database by December 31, 2009, to collect and
14 disseminate information related to available homeownership programs,
15 resources, and affordable housing throughout the state for low and
16 moderate-income persons, which are persons making at or below eighty
17 percent of the area median income.

18 (2) The department shall contract with a state agency or nonprofit
19 organization with experience in providing statewide information and
20 referral services to first-time, low-income home buyers to oversee
21 development, provide technical assistance, and administer the database.

22 (3) The state agency or nonprofit organization chosen by the
23 department shall oversee the development of and administer an online
24 database of information and referrals related to first-time
25 homeownership in the state for persons with low and moderate income.
26 The agency or organization will help develop the project's
27 functionality and scope after receiving input from a cross-section of
28 affordable homeownership stakeholders throughout the state.

29 (4) The affordable homeownership database must be developed to
30 allow partner government agencies and nonprofit organizations
31 throughout the state to access the database online and update the
32 information in the database in order to better serve their local
33 clients. The database will be accessible to clients through a
34 simplified, client-oriented interface that will be linked to all
35 partner agencies and stakeholders that have access to the database.
36 The database will include, but not be limited to, all available local,
37 statewide, and federal government and nonprofit programs developed to

1 serve first-time home buyers with low or moderate income, and new and
2 existing housing properties that could be afforded by many of those
3 individuals or households with an income of eighty percent or less of
4 the local median income.

5 (5) The database may encourage users and potential first-time home
6 buyers to follow a home buying process that encourages home buyer
7 education, financial education, resolution of credit issues, budgeting,
8 and researching available assistance programs that they may qualify for
9 before obtaining a loan preapproval or searching for a home.

10 NEW SECTION. **Sec. 19.** (1) The Washington state institute for
11 public policy shall conduct a study to investigate and recommend
12 appropriate criteria that the state and local governments can use to
13 determine whether or not to allocate funding to rental voucher
14 programs, and at what level existing or future voucher programs shall
15 be funded. Criteria may include factors such as vacancy rates,
16 affordability rates, and the percent of the population considered low-
17 income, very low-income, and extremely low-income. The study shall
18 also analyze the effectiveness of existing rental voucher programs, in
19 relation to the cost of vouchers and program administration, and
20 compare the costs and benefits of voucher programs to other low-income
21 housing programs and projects that are eligible under RCW 36.22.178 (as
22 recodified by this act) or eligible for financial assistance from the
23 housing trust fund, such as new construction and rehabilitation of
24 housing units. The Washington state institute for public policy shall
25 research and include findings, where they exist, of a similar nature
26 from other areas of the country. Representatives from the affordable
27 housing advisory board, the department of community, trade, and
28 economic development, and the housing finance commission shall
29 participate in the study, as well as other housing stakeholders,
30 including representatives from the private rental housing industry,
31 housing authorities that operate rental voucher programs, county and
32 city governments, nonprofit and for-profit housing developers, and
33 others that express an interest in participating. The Washington state
34 institute for public policy shall present the results of this study to
35 the appropriate committees of the legislature by December 31, 2008.
36 The department shall negotiate the terms and conditions for payment of

1 this study and may use funds from the affordable housing for all
2 account to pay for this study as long as the cost does not exceed fifty
3 thousand dollars.

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

5 NEW SECTION. **Sec. 20.** (1) The department, the Washington state
6 housing finance commission, the affordable housing advisory board, and
7 all participating county governments, housing authorities, and other
8 nonprofit organizations receiving state funds, county affordable
9 housing for all surcharge funds, or financing through the housing
10 finance commission, shall, by December 31, 2007, and annually
11 thereafter, review current housing reporting requirements related to
12 housing programs and services and give recommendations to the
13 legislature to streamline and simplify all planning and reporting
14 requirements. The entities listed in this section shall also give
15 recommendations for additional legislative actions that could promote
16 the affordable housing for all goal.

17 (2) The department shall collaborate with the Washington state
18 housing finance commission and representatives from statewide
19 organizations representing counties, cities, housing authorities,
20 nonprofit groups involved in affordable housing, and other interested
21 parties, to create a strategy to streamline and, when possible,
22 consolidate state and local government reporting requirements to
23 address the inefficiencies associated with multiple reporting
24 requirements. The department shall present the strategy to the
25 appropriate committees of the legislature by December 31, 2007.

26 NEW SECTION. **Sec. 21.** The sum of fifty thousand dollars, or as
27 much thereof as may be necessary, is appropriated for the fiscal year
28 ending June 30, 2008, from the general fund to the affordable housing
29 for all account to be distributed by the department to five housing
30 authorities, using a selection method and distribution formula to be
31 determined by the department, to implement a quality management program
32 and prepare and submit an application to the Washington quality awards
33 program by December 31, 2009.

34 NEW SECTION. **Sec. 22.** The sum of fifty thousand dollars, or as
35 much thereof as may be necessary, is appropriated for the fiscal year

1 ending June 30, 2008, from the general fund to the affordable housing
2 for all account to be distributed by the department of community,
3 trade, and economic development to five community action agencies,
4 using a selection method and distribution formula to be determined by
5 the department, to implement a quality management program and prepare
6 and submit an application to the Washington quality awards program by
7 December 31, 2009.

8 NEW SECTION. **Sec. 23.** The sum of seven million dollars, or as
9 much thereof as may be necessary, is appropriated for the fiscal year
10 ending June 30, 2008, from the general fund to the affordable housing
11 for all account created in section 12 of this act to be distributed by
12 the department to the participating counties, using a formula as
13 determined by the department, to be used for county planning, data
14 system creation, data collection, program implementation purposes, and
15 housing programs eligible under RCW 36.22.178 (as recodified by this
16 act).

17 **Sec. 24.** RCW 43.63A.650 and 1999 c 267 s 3 are each amended to
18 read as follows:

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

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

35 (3) The department shall be the principal state department
36 responsible for providing shelter and housing services to homeless

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

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

25 NEW SECTION. **Sec. 26.** Sections 1 through 4, 6 through 10, 12, 14,
26 15, 17, and 18 of this act constitute a new chapter in Title 43 RCW.

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