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**SENATE BILL 5361**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senators Zeiger, Kuderer, Warnick, and Das

1 AN ACT Relating to enacting the recommendations of the joint  
2 legislative audit and review committee's report analyzing development  
3 costs for low-income housing; amending RCW 43.185.090; and adding new  
4 sections to chapter 43.180 RCW.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.180  
7 RCW to read as follows:

8 The commission must identify and evaluate options for increasing  
9 the involvement of for-profit participants in the Washington state  
10 portion of the federal nine percent low-income housing tax credit  
11 program that it administers. Such evaluation must include best  
12 practices, policies, and procedures developed within the Washington  
13 state portion of the federal four percent low-income housing tax  
14 credit program. By December 1, 2019, the commission must report the  
15 results of the evaluation to the appropriate committees of the  
16 legislature.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.180  
18 RCW to read as follows:

19 (1) The commission, in cooperation with the department of  
20 commerce, must develop and implement a process for the collection of

1 certified final development cost data from each recipient under the  
2 federal low-income housing credit program that it administers. The  
3 commission must use this data as part of its cost containment policy.

4 (2) Beginning December 1, 2019, and continuing annually, the  
5 commission must provide the legislature with a report of its final  
6 cost data collected under this section for each project completed  
7 within the past year. Such cost data must, at a minimum, include  
8 total development cost per unit for each project, descriptive  
9 statistics such as average and median per unit costs, regional cost  
10 variation, and other costs that the commission deems necessary to  
11 improve cost controls and enhance understanding of development costs.  
12 The commission must coordinate with the department of commerce to  
13 identify relevant development costs data and ensure that the measures  
14 are consistent across relevant agencies.

15 **Sec. 3.** RCW 43.185.090 and 1986 c 298 s 10 are each amended to  
16 read as follows:

17 (1) The director shall monitor the activities of recipients of  
18 grants and loans under this chapter to determine compliance with the  
19 terms and conditions set forth in its application or stated by the  
20 department in connection with the grant or loan.

21 (2)(a) The department, in cooperation with the housing finance  
22 commission, must develop and implement a process for the collection  
23 of certified final development cost data from each grant or loan  
24 recipient under this chapter. The department must use this data as  
25 part of its cost containment policy.

26 (b) Beginning December 1, 2019, and continuing annually, the  
27 department must provide the legislature with a report of its final  
28 cost data for each project under this section. Such cost data must,  
29 at a minimum, include total development cost per unit for each  
30 project completed within the past year, descriptive statistics such  
31 as average and median per unit costs, regional cost variation, and  
32 other costs that the department deems necessary to improve cost  
33 controls and enhance understanding of development costs. The  
34 department must coordinate with the housing finance commission to  
35 identify relevant development costs data and ensure that the measures  
36 are consistent across relevant agencies.

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