

2 **SB 5584 - H COMM AMD ADOPTED AS AMENDED 4-18-93**

3 By Committee on Trade, Economic Development & Housing

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** (1) The legislature finds that:

8 (a) Housing is of vital state-wide importance to the health,
9 safety, and welfare of the residents of the state;

10 (b) Safe, affordable housing is an essential factor in stabilizing
11 communities;

12 (c) Residents must have a choice of housing opportunities within
13 the community where they choose to live;

14 (d) Housing markets are linked to a healthy economy and can
15 contribute to the state's economy;

16 (e) Land supply is a major contributor to the cost of housing;

17 (f) Housing must be an integral component of any comprehensive
18 community and economic development strategy;

19 (g) State and local government must continue working cooperatively
20 toward the enhancement of increased housing units by reviewing,
21 updating, and removing conflicting regulatory language;

22 (h) State and local government should work together in developing
23 creative ways to reduce the shortage of housing;

24 (i) The lack of a coordinated state housing policy inhibits the
25 effective delivery of housing for some of the state's most vulnerable
26 citizens and those with limited incomes; and

27 (j) It is in the public interest to adopt a statement of housing
28 policy objectives.

29 (2) The legislature declares that the purposes of the Washington
30 housing policy act are to:

31 (a) Provide policy direction to the public and private sectors in
32 their attempt to meet the shelter needs of Washington residents;

33 (b) Reevaluate housing and housing-related programs and policies in
34 order to ensure proper coordination of those programs and policies to
35 meet the housing needs of Washington residents;

- 1 (c) Improve the delivery of state services and assistance to very
2 low-income and low-income households and special needs populations;
3 (d) Strengthen partnerships among all levels of government, and the
4 public and private sectors, including for-profit and nonprofit
5 organizations, in the production and operation of housing to targeted
6 populations including low-income and moderate-income households;
7 (e) Increase the supply of housing for persons with special needs;
8 (f) Encourage collaborative planning with social service providers;
9 (g) Encourage financial institutions to increase residential
10 mortgage lending; and
11 (h) Coordinate housing into comprehensive community and economic
12 development strategies at the state and local level.

13 NEW SECTION. **Sec. 2.** It is the goal of the state of Washington to
14 coordinate, encourage, and direct, when necessary, the efforts of the
15 public and private sectors of the state and to cooperate and
16 participate, when necessary, in the attainment of a decent home in a
17 healthy, safe environment for every resident of the state. The
18 legislature declares that attainment of that goal is a state priority.

19 NEW SECTION. **Sec. 3.** The objectives of the Washington housing
20 policy act shall be to attain the state's goal of a decent home in a
21 healthy, safe environment for every resident of the state by
22 strengthening public and private institutions that are able to:

- 23 (1) Develop an adequate and affordable supply of housing for all
24 economic segments of the population;
25 (2) Assist very low-income and special needs households who cannot
26 obtain affordable, safe, and adequate housing in the private market;
27 (3) Encourage and maintain home ownership opportunities;
28 (4) Reduce life cycle housing costs while preserving public health
29 and safety;
30 (5) Preserve the supply of existing affordable housing;
31 (6) Provide housing for special needs populations;
32 (7) Ensure fair and equal access to the housing market;
33 (8) Increase the availability of mortgage credit at low interest
34 rates; and
35 (9) Coordinate and be consistent with the goals, objectives, and
36 required housing element of the comprehensive plan in the state's
37 growth management act in RCW 36.70A.070.

1 NEW SECTION. **Sec. 4.** Unless the context clearly requires
2 otherwise, the definitions in this section apply throughout this
3 chapter.

4 (1) "Affordable housing" means residential housing that is rented
5 or owned by a person or household whose monthly housing costs,
6 including utilities other than telephone, do not exceed thirty percent
7 of the household's monthly income.

8 (2) "Department" means the department of community development.

9 (3) "Director" means the director of community development.

10 (4) "Nonprofit organization" means any public or private nonprofit
11 organization that: (a) Is organized under federal, state, or local
12 laws; (b) has no part of its net earnings inuring to the benefit of any
13 member, founder, contributor, or individual; and (c) has among its
14 purposes significant activities related to the provision of decent
15 housing that is affordable to very low-income, low-income, or moderate-
16 income households and special needs populations.

17 (5) "Regulatory barriers to affordable housing" and "regulatory
18 barriers" mean any public policies (including those embodied in
19 statutes, ordinances, regulations, or administrative procedures or
20 processes) required to be identified by the state or local government
21 in connection with its strategy under section 105(b)(4) of the
22 Cranston-Gonzalez national affordable housing act (42 U.S.C. 12701 et
23 seq.).

24 (6) "Tenant-based organization" means a nonprofit organization
25 whose governing body includes a majority of members who reside in the
26 housing development and are considered low-income households.

27 NEW SECTION. **Sec. 5.** (1) The department shall establish the
28 affordable housing advisory board to consist of twenty-one members.

29 (a) The following eighteen members shall be appointed by the
30 governor:

31 (i) Two representatives of the residential construction industry;

32 (ii) Two representatives of the home mortgage lending profession;

33 (iii) One representative of the real estate sales profession;

34 (iv) One representative of the apartment management and operation
35 industry;

36 (v) One representative of the for-profit housing development
37 industry;

1 (vi) One representative of the nonprofit housing development
2 industry;

3 (vii) One representative of homeless shelter operators;

4 (viii) One representative of lower-income persons;

5 (ix) One representative of special needs populations;

6 (x) One representative of public housing authorities as created
7 under chapter 35.82 RCW;

8 (xi) Two representatives of the Washington association of counties,
9 one representative shall be from a county that is located east of the
10 crest of the Cascade mountains;

11 (xii) Two representatives of the association of Washington cities,
12 one representative shall be from a city that is located east of the
13 crest of the Cascade mountains;

14 (xiii) One representative to serve as chair of the affordable
15 housing advisory board;

16 (xiv) One representative at large.

17 (b) The following three members shall serve as ex officio,
18 nonvoting members:

19 (i) The director or the director's designee;

20 (ii) The executive director of the Washington state housing finance
21 commission or the executive director's designee; and

22 (iii) The secretary of social and health services or the
23 secretary's designee.

24 (2)(a) The members of the affordable housing advisory board
25 appointed by the governor shall be appointed for four-year terms,
26 except that the chair shall be appointed to serve a two-year term. The
27 terms of five of the initial appointees shall be for two years from the
28 date of appointment and the terms of six of the initial appointees
29 shall be for three years from the date of appointment. The governor
30 shall designate the appointees who will serve the two-year and three-
31 year terms. The members of the advisory board shall serve without
32 compensation, but shall be reimbursed for travel expenses as provided
33 in RCW 43.03.050 and 43.03.060.

34 (b) The governor, when making appointments to the affordable
35 housing advisory board, shall make appointments that reflect the
36 cultural diversity of the state of Washington.

37 (3) The affordable housing advisory board shall serve as the
38 department's principal advisory body on housing and housing-related

1 issues, and replaces the department's existing boards and task forces
2 on housing and housing-related issues.

3 (4) The affordable housing advisory board shall meet regularly and
4 may appoint technical advisory committees, which may include members
5 of the affordable housing advisory board, as needed to address specific
6 issues and concerns.

7 (5) The department, in conjunction with the Washington state
8 housing finance commission and the department of social and health
9 services, shall supply such information and assistance as are deemed
10 necessary for the advisory board to carry out its duties under this
11 section.

12 (6) The department shall provide administrative and clerical
13 assistance to the affordable housing advisory board.

14 NEW SECTION. **Sec. 6.** The affordable housing advisory board shall:

15 (1) Analyze those solutions and programs that could begin to
16 address the state's need for housing that is affordable for all
17 economic segments of the state, and special needs populations,
18 including but not limited to programs or proposals which provide for:

19 (a) Financing for the acquisition, rehabilitation, preservation, or
20 construction of housing;

21 (b) Use of publicly owned land and buildings as sites for
22 affordable housing;

23 (c) Coordination of state initiatives with federal initiatives and
24 financing programs that are referenced in the Cranston-Gonzalez
25 national affordable housing act (42 U.S.C. Sec. 12701 et seq.), as
26 amended, and development of an approved housing strategy as required in
27 the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec.
28 12701 et seq.), as amended;

29 (d) Identification and removal, where appropriate and not
30 detrimental to the public health and safety, or environment, of state
31 and local regulatory barriers to the development and placement of
32 affordable housing;

33 (e) Stimulating public and private sector cooperation in the
34 development of affordable housing; and

35 (f) Development of solutions and programs affecting housing,
36 including the equitable geographic distribution of housing for all
37 economic segments, as the advisory board deems necessary;

1 (2) Consider both homeownership and rental housing as viable
2 options for the provision of housing. The advisory board shall give
3 consideration to various types of residential construction and
4 innovative housing options, including but not limited to manufactured
5 housing;

6 (3) Review, evaluate, and make recommendations regarding existing
7 and proposed housing programs and initiatives including but not limited
8 to tax policies, land use policies, and financing programs. The
9 advisory board shall provide recommendations to the director, along
10 with the department's response in the annual housing report to the
11 legislature required in section 12 of this act; and

12 (4) Prepare and submit to the director, by each December 1st,
13 beginning December 1, 1993, a report detailing its findings and make
14 specific program, legislative, and funding recommendations and any
15 other recommendations it deems appropriate.

16 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.63A RCW
17 to read as follows:

18 (1) The department shall, in consultation with the affordable
19 housing advisory board created in section 5 of this act, report to the
20 legislature on the development and placement of accessory apartments.
21 The department shall produce a written report by December 15, 1993,
22 which:

23 (a) Identifies local governments that allow the siting of accessory
24 apartments in areas zoned for single-family residential use; and

25 (b) Makes recommendations to the legislature designed to encourage
26 the development and placement of accessory apartments in areas zoned
27 for single-family residential use.

28 (2) The recommendations made under subsection (1) of this section
29 shall not take effect before ninety days following adjournment of the
30 1994 regular legislative session.

31 (3) Unless provided otherwise by the legislature, by December 31,
32 1994, local governments shall incorporate in their development
33 regulations, zoning regulations, or official controls the
34 recommendations contained in subsection (1) of this section. The
35 accessory apartment provisions shall be part of the local government's
36 development regulation, zoning regulation, or official control. To
37 allow local flexibility, the recommendations shall be subject to such

1 regulations, conditions, procedures, and limitations as determined by
2 the local legislative authority.

3 (4) As used in this section, "local government" means:

4 (a) A city or code city with a population that exceeds twenty
5 thousand;

6 (b) A county that is required to or has elected to plan under the
7 state growth management act; and

8 (c) A county with a population that exceeds one hundred twenty-five
9 thousand.

10 NEW SECTION. **Sec. 8.** A new section is added to chapter 35.63 RCW
11 to read as follows:

12 Any local government, as defined in section 7 of this act, that is
13 planning under this chapter shall comply with section 7(3) of this act.

14 NEW SECTION. **Sec. 9.** A new section is added to chapter 35A.63 RCW
15 to read as follows:

16 Any local government, as defined in section 7 of this act, that is
17 planning under this chapter shall comply with section 7(3) of this act.

18 NEW SECTION. **Sec. 10.** A new section is added to chapter 36.70 RCW
19 to read as follows:

20 Any local government, as defined in section 7 of this act, that is
21 planning under this chapter shall comply with section 7(3) of this act.

22 NEW SECTION. **Sec. 11.** A new section is added to chapter 36.70A
23 RCW to read as follows:

24 Any local government, as defined in section 7 of this act, that is
25 planning under this chapter shall comply with section 7(3) of this act.

26 NEW SECTION. **Sec. 12.** (1) The department shall, in consultation
27 with the affordable housing advisory board created in section 5 of this
28 act, prepare and from time to time amend a five-year housing advisory
29 plan. The purpose of the plan is to document the need for affordable
30 housing in the state and the extent to which that need is being met
31 through public and private sector programs, to facilitate planning to
32 meet the affordable housing needs of the state, and to enable the
33 development of sound strategies and programs for affordable housing.
34 The information in the five-year housing advisory plan must include:

- 1 (a) An assessment of the state's housing market trends;
- 2 (b) An assessment of the housing needs for all economic segments of
- 3 the state and special needs populations;
- 4 (c) An inventory of the supply and geographic distribution of
- 5 affordable housing units made available through public and private
- 6 sector programs;
- 7 (d) A status report on the degree of progress made by the public
- 8 and private sector toward meeting the housing needs of the state;
- 9 (e) An identification of state and local regulatory barriers to
- 10 affordable housing and proposed regulatory and administrative
- 11 techniques designed to remove barriers to the development and placement
- 12 of affordable housing; and
- 13 (f) Specific recommendations, policies, or proposals for meeting
- 14 the affordable housing needs of the state.

15 (2)(a) The five-year housing advisory plan required under

16 subsection (1) of this section must be submitted to the legislature on

17 or before February 1, 1994, and subsequent plans must be submitted

18 every five years thereafter.

19 (b) Each February 1st, beginning February 1, 1995, the department

20 shall submit an annual progress report, to the legislature, detailing

21 the extent to which the state's affordable housing needs were met

22 during the preceding year and recommendations for meeting those needs.

23 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.63A

24 RCW to read as follows:

25 (1) The department shall be the principal state department

26 responsible for coordinating federal and state resources and activities

27 in housing, except for programs administered by the Washington state

28 housing finance commission under chapter 43.180 RCW, and for evaluating

29 the operations and accomplishments of other state departments and

30 agencies as they affect housing.

31 (2) The department shall work with local governments, tribal

32 organizations, local housing authorities, nonprofit community or

33 neighborhood-based organizations, and regional or state-wide nonprofit

34 housing assistance organizations, for the purpose of coordinating

35 federal and state resources with local resources for housing.

36 NEW SECTION. **Sec. 14.** A new section is added to chapter 43.63A

37 RCW to read as follows:

1 The department shall provide technical assistance and information
2 to state agencies and local governments to assist in the identification
3 and removal of regulatory barriers to the development and placement of
4 affordable housing. In providing assistance the department may:

5 (1) Analyze the costs and benefits of state legislation, rules, and
6 administrative actions and their impact on the development and
7 placement of affordable housing;

8 (2) Analyze the costs and benefits of local legislation, rules, and
9 administrative actions and their impact on the development and
10 placement of affordable housing;

11 (3) Assist state agencies and local governments in determining the
12 impact of existing and anticipated actions, legislation, and rules on
13 the development and placement of affordable housing;

14 (4) Investigate techniques and opportunities for reducing the life
15 cycle housing costs through regulatory reform;

16 (5) Develop model standards and ordinances designed to reduce
17 regulatory barriers to affordable housing and assisting n their
18 adoption and use at the state and local government level;

19 (6) Provide technical assistance and information to state agencies
20 and local governments for implementation of legislative and
21 administrative reform programs to remove barriers to affordable
22 housing;

23 (7) Prepare state regulatory barrier removal strategies;

24 (8) Provide staffing to the affordable housing advisory board
25 created in section 5 of this act; and

26 (9) Perform other activities as the director deems necessary to
27 assist the state, local governments, and the housing industry in
28 meeting the affordable housing needs of the state.

29 **Sec. 15.** RCW 43.185.110 and 1991 c 204 s 4 are each amended to
30 read as follows:

31 ~~((The director shall prepare an annual report and shall send copies
32 to the chair of the house of representatives committee on housing, the
33 chair of the senate committee on commerce and labor, and one copy to
34 the staff of each committee that summarizes the housing trust fund's
35 income, grants and operating expenses, implementation of its program,
36 and any problems arising in the administration thereof. The director
37 shall promptly appoint a low income housing assistance advisory
38 committee composed of a representative from each of the following~~

1 ~~groups:— Apartment owners, realtors, mortgage lending or servicing~~
2 ~~institutions, private nonprofit housing assistance programs, tenant~~
3 ~~associations, and public housing assistance programs.)~~ The affordable
4 housing advisory ((group)) board established in section 5 of this act
5 shall advise the director on housing needs in this state, including
6 housing needs for persons who are mentally ill or developmentally
7 disabled or youth who are blind or deaf or otherwise disabled,
8 operational aspects of the grant and loan program or revenue collection
9 programs established by this chapter, and implementation of the policy
10 and goals of this chapter. Such advice shall be consistent with
11 policies and plans developed by regional support networks according to
12 chapter 71.24 RCW for the mentally ill and the developmental
13 disabilities planning council for the developmentally disabled.

14 **Sec. 16.** RCW 43.185A.020 and 1991 c 356 s 11 are each amended to
15 read as follows:

16 The affordable housing program is created in the department of
17 community development for the purpose of developing and coordinating
18 public and private resources targeted to meet the affordable housing
19 needs of low-income households in the state of Washington. The program
20 shall be developed and administered by the department with advice and
21 input from the ~~((low-income [housing] assistance advisory committee~~
22 ~~established in RCW 43.185.110))~~ affordable housing advisory board
23 established in section 5 of this act.

24 **Sec. 17.** RCW 35.82.070 and 1991 c 167 s 1 are each amended to read
25 as follows:

26 An authority shall constitute a public body corporate and politic,
27 exercising public and essential governmental functions, and having all
28 the powers necessary or convenient to carry out and effectuate the
29 purposes and provisions of this chapter, including the following powers
30 in addition to others herein granted:

31 (1) To sue and be sued; to have a seal and to alter the same at
32 pleasure; to have perpetual succession; to make and execute contracts
33 and other instruments, including but not limited to partnership
34 agreements and joint venture agreements, necessary or convenient to the
35 exercise of the powers of the authority; to participate in the
36 organization or the operation of a nonprofit corporation which has as
37 one of its purposes to provide or assist in the provision of housing

1 for persons of low income; and to make and from time to time amend and
2 repeal bylaws, rules and regulations, not inconsistent with this
3 chapter, to carry into effect the powers and purposes of the authority.

4 (2) Within its area of operation: To prepare, carry out, acquire,
5 lease and operate housing projects; to provide for the construction,
6 reconstruction, improvement, alteration or repair of any housing
7 project or any part thereof; to agree to rent or sell dwellings forming
8 part of the projects to or for persons of low income. Where an
9 agreement or option is made to sell a dwelling to a person of low
10 income, the authority may convey the dwelling to the person upon
11 fulfillment of the agreement irrespective of whether the person is at
12 the time of the conveyance a person of low income. Leases, options,
13 agreements, or conveyances may include such covenants as the authority
14 deems appropriate to assure the achievement of the objectives of this
15 chapter.

16 (3) To acquire, lease, rent, sell, or otherwise dispose of any
17 commercial space located in buildings or structures containing a
18 housing project or projects.

19 (4) To arrange or contract for the furnishing by any person or
20 agency, public or private, of services, privileges, works, or
21 facilities for, or in connection with, a housing project or the
22 occupants thereof; and (notwithstanding anything to the contrary
23 contained in this chapter or in any other provision of law) to include
24 in any contract let in connection with a project, stipulations
25 requiring that the contractor and any subcontractors comply with
26 requirements as to minimum wages and maximum hours of labor, and comply
27 with any conditions which the federal government may have attached to
28 its financial aid of the project.

29 (5) To lease or rent any dwellings, houses, accommodations, lands,
30 buildings, structures or facilities embraced in any housing project and
31 (subject to the limitations contained in this chapter) to establish and
32 revise the rents or charges therefor; to own or manage buildings
33 containing a housing project or projects as well as commercial space or
34 other dwelling units that do not constitute a housing project as that
35 term is defined in this chapter: PROVIDED, That notwithstanding the
36 provisions under subsection (1) of this section, dwelling units made
37 available or sold to persons of low income, together with functionally
38 related and subordinate facilities, shall occupy ((at least thirty
39 percent of the interior space of any individual building other than a

1 ~~detached single family or duplex residential building or mobile or~~
2 ~~manufactured home and))~~ at least fifty percent of the interior space in
3 the total development owned by the authority or at least fifty percent
4 of the total number of units in the development owned by the authority,
5 whichever produces the greater number of units for persons of low
6 income, and for mobile home parks, the mobile home lots made available
7 to persons of low income shall be at least fifty percent of the total
8 number of mobile home lots in the park owned by the authority; to own,
9 hold, and improve real or personal property; to purchase, lease, obtain
10 options upon, acquire by gift, grant, bequest, devise, or otherwise
11 including financial assistance and other aid from the state or any
12 public body, person or corporation, any real or personal property or
13 any interest therein; to acquire by the exercise of the power of
14 eminent domain any real property; to sell, lease, exchange, transfer,
15 assign, pledge, or dispose of any real or personal property or any
16 interest therein; to sell, lease, exchange, transfer, or dispose of any
17 real or personal property or interest therein at less than fair market
18 value to a governmental entity for any purpose when such action assists
19 the housing authority in carrying out its powers and purposes under
20 this chapter, to a low-income person or family for the purpose of
21 providing housing for that person or family, or to a nonprofit
22 corporation provided the nonprofit corporation agrees to sell the
23 property to a low-income person or family or to use the property for
24 the provision of housing for persons of low income for at least twenty
25 years; to insure or provide for the insurance of any real or personal
26 property or operations of the authority against any risks or hazards;
27 to procure or agree to the procurement of insurance or guarantees from
28 the federal government of the payment of any bonds or parts thereof
29 issued by an authority, including the power to pay premiums on any such
30 insurance.

31 (6) To invest any funds held in reserves or sinking funds, or any
32 funds not required for immediate disbursement, in property or
33 securities in which savings banks may legally invest funds subject to
34 their control; to purchase its bonds at a price not more than the
35 principal amount thereof and accrued interest, all bonds so purchased
36 to be canceled.

37 (7) Within its area of operation: To investigate into living,
38 dwelling and housing conditions and into the means and methods of
39 improving such conditions; to determine where slum areas exist or where

1 there is a shortage of decent, safe and sanitary dwelling
2 accommodations for persons of low income; to make studies and
3 recommendations relating to the problem of clearing, replanning and
4 reconstructing of slum areas, and the problem of providing dwelling
5 accommodations for persons of low income, and to cooperate with the
6 city, the county, the state or any political subdivision thereof in
7 action taken in connection with such problems; and to engage in
8 research, studies and experimentation on the subject of housing.

9 (8) Acting through one or more commissioners or other person or
10 persons designated by the authority: To conduct examinations and
11 investigations and to hear testimony and take proof under oath at
12 public or private hearings on any matter material for its information;
13 to administer oaths, issue subpoenas requiring the attendance of
14 witnesses or the production of books and papers and to issue
15 commissions for the examination of witnesses who are outside of the
16 state or unable to attend before the authority, or excused from
17 attendance; to make available to appropriate agencies (including those
18 charged with the duty of abating or requiring the correction of
19 nuisances or like conditions, or of demolishing unsafe or insanitary
20 structures within its area of operation) its findings and
21 recommendations with regard to any building or property where
22 conditions exist which are dangerous to the public health, morals,
23 safety or welfare.

24 (9) To initiate eviction proceedings against any tenant as provided
25 by law. Activity occurring in any housing authority unit that
26 constitutes a violation of chapter 69.41, 69.50 or 69.52 RCW shall
27 constitute a nuisance for the purpose of RCW 59.12.030(5).

28 (10) To exercise all or any part or combination of powers herein
29 granted.

30 No provisions of law with respect to the acquisition, operation or
31 disposition of property by other public bodies shall be applicable to
32 an authority unless the legislature shall specifically so state.

33 (11) To agree (notwithstanding the limitation contained in RCW
34 35.82.210) to make such payments in lieu of taxes as the authority
35 finds consistent with the achievement of the purposes of this chapter.

36 (12) Upon the request of a county or city, to exercise any powers
37 of an urban renewal agency under chapter 35.81 RCW or a public
38 corporation, commission, or authority under chapter 35.21 RCW.

1 However, in the exercise of any such powers the housing authority shall
2 be subject to any express limitations contained in this chapter.

3 (13) To exercise the powers granted in this chapter within the
4 boundaries of any city, town, or county not included in the area in
5 which such housing authority is originally authorized to function:
6 PROVIDED, HOWEVER, The governing or legislative body of such city,
7 town, or county, as the case may be, adopts a resolution declaring that
8 there is a need for the authority to function in such territory.

9 ~~((13))~~ (14) To administer contracts for assistance payments to
10 persons of low income in accordance with section 8 of the United States
11 Housing Act of 1937, as amended by Title II, section 201 of the Housing
12 and Community Development Act of 1974, P.L. 93-383.

13 ~~((14))~~ (15) To sell at public or private sale, with or without
14 public bidding, for fair market value, any mortgage or other obligation
15 held by the authority.

16 ~~((15))~~ (16) To the extent permitted under its contract with the
17 holders of bonds, notes, and other obligations of the authority, to
18 consent to any modification with respect to rate of interest, time and
19 payment of any installment of principal or interest security, or any
20 other term of any contract, mortgage, mortgage loan, mortgage loan
21 commitment, contract or agreement of any kind to which the authority is
22 a party.

23 ~~((16))~~ (17) To make, purchase, participate in, invest in, take
24 assignments of, or otherwise acquire loans to persons of low income to
25 enable them to acquire, construct, reconstruct, rehabilitate, improve,
26 lease, or refinance their dwellings, and to take such security therefor
27 as is deemed necessary and prudent by the authority.

28 ~~((17))~~ (18) To make, purchase, participate in, invest in, take
29 assignments of, or otherwise acquire loans for the acquisition,
30 construction, reconstruction, rehabilitation, improvement, leasing, or
31 refinancing of land, buildings, or developments for housing for persons
32 of low income. For purposes of this subsection, development shall
33 include either land or buildings or both.

34 (a) Any development financed under this subsection shall be subject
35 to an agreement that for at least twenty years the dwelling units made
36 available to persons of low income together with functionally related
37 and subordinate facilities shall occupy at least ~~((thirty percent of~~
38 ~~the interior space of any individual building other than a detached~~
39 ~~single family or duplex residential building or mobile or manufactured~~

1 ~~home and shall occupy at least~~) fifty percent of the interior space in
2 the total development or at least fifty percent of the total number of
3 units in the development, whichever produces the greater number of
4 units for persons of low income. For mobile home parks, the mobile
5 home lots made available to persons of low income shall be at least
6 fifty percent of the total number of mobile home lots in the park.
7 During the term of the agreement, the owner shall use its best efforts
8 in good faith to maintain the dwelling units or mobile home lots
9 required to be made available to persons of low income at rents
10 affordable to persons of low income. The twenty-year requirement under
11 this subsection (18)(a) shall not apply when an authority finances the
12 development by nonprofit corporations or governmental units of
13 dwelling or mobile home lots intended for sale to persons of low and
14 moderate income, and shall not apply to construction or other short-
15 term financing provided to nonprofit corporations or governmental units
16 when the financing has a repayment term of one year or less.

17 (b) In addition, if the development is owned by a for-profit
18 entity, the dwelling units or mobile home lots required to be made
19 available to persons of low income shall be rented to persons whose
20 incomes do not exceed fifty percent of the area median income, adjusted
21 for household size, and shall have unit or lot rents that do not exceed
22 fifteen percent of area median income, adjusted for household size,
23 unless rent subsidies are provided to make them affordable to persons
24 of low income.

25 For purposes of this subsection (~~(17)~~)(18)(b), if the development
26 is owned directly or through a partnership by a governmental entity or
27 a nonprofit organization, which nonprofit organization is itself not
28 controlled by a for-profit entity or affiliated with any for-profit
29 entity that a nonprofit organization itself does not control, it shall
30 not be treated as being owned by a for-profit entity when the
31 governmental entity or nonprofit organization exercises legal control
32 of the ownership entity and in addition, (i) the dwelling units or
33 mobile home lots required to be made available to persons of low income
34 are rented to persons whose incomes do not exceed sixty percent of the
35 area median income, adjusted for household size, and (ii) the
36 development is subject to an agreement that transfers ownership to the
37 governmental entity or nonprofit organization or extends an irrevocable
38 right of first refusal to purchase the development under a formula for
39 setting the acquisition price that is specified in the agreement.

1 (c) Commercial space in any building financed under this subsection
2 that exceeds four stories in height shall not constitute more than
3 twenty percent of the interior area of the building. Before financing
4 any development under this subsection the authority shall make a
5 written finding that financing is important for project feasibility or
6 necessary to enable the authority to carry out its powers and purposes
7 under this chapter.

8 (~~((18))~~) (19) To contract with a public authority or corporation,
9 created by a county, city, or town under RCW 35.21.730 through
10 35.21.755, to act as the developer for new housing projects or
11 improvement of existing housing projects.

12 NEW SECTION. **Sec. 18.** A new section is added to chapter 43.63A
13 RCW to read as follows:

14 (1) The legislature finds that:

15 (a) The trend toward smaller household sizes will continue into the
16 foreseeable future;

17 (b) Many of these households are in housing units that contain more
18 bedrooms than occupants;

19 (c) There are older homeowners on relatively low, fixed income who
20 are experiencing difficulties maintaining their homes; and

21 (d) There are single parents, recently widowed persons, people in
22 the midst of divorce or separation, and handicapped that are faced with
23 displacement due to the high cost of housing.

24 (2) The legislature declares that the purpose of section 19 of this
25 act is to develop a pilot program designed to:

26 (a) Provide home-matching services that can enable people to
27 continue living in their homes while promoting continuity of home
28 ownership and community stability; and

29 (b) Counter the problem of displacement among people on relatively
30 low, fixed incomes by linking people offering living space with people
31 seeking housing.

32 NEW SECTION. **Sec. 19.** A new section is added to chapter 43.63A
33 RCW to read as follows:

34 (1) The department may develop and administer a home-matching
35 program for the purpose of providing grants and technical assistance to
36 eligible organizations to operate local home-matching programs. For

1 purposes of this section, "eligible organizations" are those
2 organizations eligible to receive assistance through the Washington
3 housing trust fund, chapter 43.185 RCW.

4 (2) The department may select up to five eligible organizations for
5 the purpose of implementing a local home-matching program. The local
6 home-matching programs are designed to facilitate: (a)
7 Intergenerational homesharing involving older homeowners sharing homes
8 with younger persons; (b) homesharing arrangements that involve an
9 exchange of services such as cooking, housework, gardening, or
10 babysitting for room and board or some financial consideration such as
11 rent; and (c) the more efficient use of available housing.

12 (3) In selecting local pilot programs under this section, the
13 department shall consider:

14 (a) The eligible organization's ability, stability, and resources
15 to implement the local home-matching program;

16 (b) The eligible organization's efforts to coordinate other support
17 services needed by the individual or family participating in the local
18 home-matching program; and

19 (c) Other factors the department deems appropriate.

20 (4) The eligible organizations shall establish criteria for
21 participation in the local home-matching program. The eligible
22 organization shall make a determination of eligibility regarding the
23 individuals' or families' participation in the local home-matching
24 program. The determination shall include, but is not limited to a
25 verification of the individual's or family's history of making rent
26 payments in a consistent and timely manner.

27 NEW SECTION. **Sec. 20.** A new section is added to chapter 35.63 RCW
28 to read as follows:

29 No city may enact or maintain an ordinance, development regulation,
30 zoning regulation or official control, policy, or administrative
31 practice which treats a residential structure occupied by persons with
32 handicaps differently than a similar residential structure occupied by
33 a family or other unrelated individuals. As used in this section,
34 "handicaps" are as defined in the federal fair housing amendments act
35 of 1988 (42 U.S.C. Sec. 3602).

36 **Sec. 21.** A new section is added to chapter 35A.63 RCW to read as
37 follows:

1 No city may enact or maintain an ordinance, development regulation,
2 zoning regulation or official control, policy, or administrative
3 practice which treats a residential structure occupied by persons with
4 handicaps differently than a similar residential structure occupied by
5 a family or other unrelated individuals. As used in this section,
6 "handicaps" are as defined in the federal fair housing amendments act
7 of 1988 (42 U.S.C. Sec. 3602).

8 NEW SECTION. **Sec. 22.** A new section is added to chapter 36.70 RCW
9 to read as follows:

10 No county may enact or maintain an ordinance, development
11 regulation, zoning regulation or official control, policy, or
12 administrative practice which treats a residential structure occupied
13 by persons with handicaps differently than a similar residential
14 structure occupied by a family or other unrelated individuals. As used
15 in this section, "handicaps" are as defined in the federal fair housing
16 amendments act of 1988 (42 U.S.C. Sec. 3602).

17 NEW SECTION. **Sec. 23.** A new section is added to chapter 36.70A
18 RCW to read as follows:

19 No county or city that plans or elects to plan under this chapter
20 may enact or maintain an ordinance, development regulation, zoning
21 regulation or official control, policy, or administrative practice
22 which treats a residential structure occupied by persons with handicaps
23 differently than a similar residential structure occupied by a family
24 or other unrelated individuals. As used in this section, "handicaps"
25 are as defined in the federal fair housing amendments act of 1988 (42
26 U.S.C. Sec. 3602).

27 NEW SECTION. **Sec. 24.** This chapter may be known and cited as the
28 "Washington housing policy act."

29 NEW SECTION. **Sec. 25.** Sections 1 through 6, 12, and 24 of this
30 act shall constitute a new chapter in Title 43 RCW."

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