

FINAL BILL REPORT

E2SHB 2163

PARTIAL VETO

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Synopsis as Enacted

Brief Description: Establishing a homeless housing program.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Ormsby, Holmquist, Miloscia, Williams, Flannigan, Chase, Dickerson, Sells, Ericks, Dunn, Wood, Green, Linville, Springer, Pettigrew, Kenney, O'Brien, Santos, Kagi, Fromhold and Schual-Berke).

House Committee on Housing

House Committee on Appropriations

Senate Committee on Financial Institutions, Housing & Consumer Protection

Senate Committee on Ways & Means

Background:

Washington Homeless Initiatives.

Washington does not have a coordinated statewide plan to reduce homelessness, nor does the state have financial resources allocated to the statewide reduction of the homeless population. Some Washington communities have undertaken local counts of homeless individuals, and the Department of Community, Trade and Economic Development (DCTED) through its Homeless Management Information System tracks homeless individuals in four counties, with the long-term goal of tracking the homeless population statewide. There is no method, however, for calculating the total number of homeless individuals in the state, nor for tracking homeless individuals in relation to their housing status.

Operation and Maintenance of Low-Income Housing Projects.

County auditors are required by statute to record deeds and other instruments that are to be filed and recorded with the county. The fees to be charged for recording are set forth in statute. A \$10 surcharge to recordings of certain documents exists to support low-income housing projects (referred to as the "Low-Income Housing Surcharge Program").

The auditor is allowed up to 5 percent of the funds collected under the Low-Income Housing Surcharge Program. Of the remaining funds, the Housing Trust Fund receives 40 percent of the revenue generated. Sixty percent of the revenue generated is to be turned over to the counties for low-income housing programs and projects.

Summary:

Homeless Housing Program.

The Legislature recognizes that the provision of housing and housing related services to the homeless should be administered at the local level, yet also recognizes the state's responsibility to coordinate, support and monitor efforts to address homeless issues.

Reducing homelessness in Washington (statewide and in each individual county) by 50 percent within 10 years is a goal of the Department of Community, Trade and Economic Development (DCTED) and individual local governments which choose to participate in the homeless housing program. The DCTED must work collaboratively with other state agencies and receive consultation and advice on its Homeless Housing Program and homeless strategic plan from the Interagency Committee on Homelessness (created by this act), the Affordable Housing Advisory Board, non-profit homeless service providers and local governments.

Although goals are state and county specific, city governments may choose to assume responsibility for reducing homelessness within their own boundaries. Such cities are held to the same program requirements as are participating Washington counties. The DCTED, as well as all participating counties and any participating cities, must prepare 10-year plans to reduce homelessness. Local government performance in meeting goals of the plan will be assessed annually by DCTED, the Interagency Council on Homelessness and the Affordable Housing Advisory Board.

Homeless Program Performance Measures.

Specific performance measures will be created by DCTED and will include:

- (1) By the end of year one a comprehensive census must be finalized and will report on all homeless individuals in Washington.
- (2) By July 1, 2015, the homeless population statewide in each county will be reduced by 50 percent.

Homeless Housing Program Funding.

The Homeless Housing Program is funded by a \$10 surcharge for each document recorded by the county auditor with the exception of documents recording a birth, marriage, divorce or death.

Participation of Local Governments.

The participation of local governments in the homeless housing program is voluntary. Counties and cities that choose to participate will receive a share of the \$10 surcharge to implement programs to address homelessness in their areas. Participating local governments are also eligible to apply for portions of the state's share of the surcharge through the Homeless Housing Grant Program. Counties may decline to participate in this program by forwarding a resolution to DCTED (a city need only forward a resolution if it intends to participate). If a county declines participation, all of the funds otherwise due to the county under this act will be remitted monthly by the county auditor to DCTED which will subcontract with another eligible entity to create and execute a plan to reduce homelessness in that county. The DCTED may retain 6 percent of the local share of the funds for administration of the county program in such instances. A city within a non-participating county may still assert its right to manage its own homeless housing program within its

boundaries and shall receive monthly transmittals from the county auditor of its share of the local fund surcharge.

Distribution of Homeless Program Funds.

Local Government Share.

The auditor must retain 2 percent of the \$10 surcharge for collection of the fee. Of the remaining funds, 60 percent of the funds will remain within the participating county of origin. Any city which assumes responsibility for reducing homelessness within its boundaries receives a percentage of the surcharge equal to the percentage of the city's local portion of the real estate excise tax. Six percent of local funds may be used for administrative costs related to the homeless housing program. The remainder of the funds are to be used for local programs and projects directly related to the accomplishment of goals outlined in the county's 10-year strategic plan to reduce homelessness. Programs eligible for funding by counties and/or cities include:

- shelter expansion;
- homeless supportive services;
- eviction prevention programs; and
- supportive and transitional housing.

In addition to funds received through the 60 percent share of the \$10 surcharge, participating counties and cities are eligible to apply to the DCTED for funding through the Homeless Housing Grant Program. Such funds are designed to "augment" the local government's investments in homeless housing programs.

For the purposes of the Homeless Housing Program, each local government is guided by a Homeless Housing Task Force which is responsible for developing the jurisdiction's ten-year homeless housing plan (by December 31, 2005), choosing programs and projects to be funded through the local government's share of the surcharge fee program, and reporting on performance outcomes to the DCTED. This council could be created specifically for the purpose of fulfilling the objectives of the Homeless Housing Program or could consist of an existing group of individuals willing to assume responsibility for the program. Participating cities may adopt the county's Task Force as its own and may adopt a 10-year plan based upon the county 10-year plan.

State Share.

The remaining funds of the total \$10 surcharge will be remitted to the DCTED. Twelve and one-half percent of these funds may be used for program administration, the remaining 87.5 percent is to be distributed through the Homeless Housing Grant Program. The DCTED's responsibilities include:

- creation of the state homeless housing strategic plan;
- coordinating and implementing an annual statewide homeless census;
- implementing and administering a data management and tracking system;
- developing an on-line information and referral system for homeless housing;
- funding and managing the Homeless Housing Grant Program, which is available to participating counties and cities to augment program funds;

- providing technical assistance to counties and cities related to their homeless housing plans; and
- overseeing the statewide Homeless Housing Program and reporting on its progress annually to the Governor.

Homeless Census.

The DCTED will coordinate an annual homeless census. This census will, as much as possible, be coordinated with existing homeless census projects. Data collected from the census will be used to develop and amend the DCTED's and local government's 10-year plans.

Quality Management.

The Affordable Housing Advisory Council and the Interagency Council on Homelessness will assess DCTED's and participating local government's performance annually. The DCTED must implement an organizational quality management system by the end of year four.

Low-Income Housing Surcharge Program.

Distribution of Low Income Program Funding.

A county may retain up to 5 percent of the funds collected for the administration and local distribution of the surcharge funds. A county will receive "all of the remaining funds" after the county has received its first 5 percent for administrative costs and the DCTED has received its 40 percent distribution.

Votes on Final Passage:

House	51	45	
Senate	28	18	(Senate amended)
House	50	48	(House concurred)

Effective: August 1, 2005

Partial Veto Summary: The section creating the Interagency Council on Homelessness was vetoed.