SUBSTITUTE HOUSE BILL 1056

State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Trade, Economic Development & Housing (originally sponsored by Representatives Franklin, Zellinsky, Thibaudeau, Quall, Wineberry, Ludwig, Campbell, Romero, Jones, Springer, Shin, Wolfe, Karahalios, Ogden, J. Kohl and Anderson)

Read first time 02/24/93.

- 1 AN ACT Relating to housing; and adding a new chapter to Title 43 2 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 5 (a) Housing is of vital state-wide importance to the health, 6 safety, and welfare of the residents of the state;
- 7 (b) Safe, affordable housing is an essential factor in stabilizing 8 communities;
- 9 (c) Residents must have a choice of housing opportunities within 10 the community where they choose to live;
- 11 (d) Housing markets are linked to a healthy economy and can 12 contribute to the state's economy;
- (e) Land supply is a major contributor to the cost of housing;
- (f) Housing must be an integral component of any comprehensive community and economic development strategy;
- 16 (g) State and local government must continue working cooperatively
- 17 toward the enhancement of increased housing units by reviewing,
- 18 updating, and removing conflicting regulatory language;

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- 1 (h) State and local government should work together in developing 2 creative ways to reduce the shortage of housing;
- 3 (i) The lack of a coordinated state housing policy inhibits the 4 effective delivery of housing for some of the state's most vulnerable 5 citizens and those with limited incomes; and
- 6 (j) It is in the public interest to adopt a statement of housing 7 policy objectives.
- 8 (2) The legislature declares that the purposes of the Washington 9 housing policy act are to:
- 10 (a) Provide policy direction to the public and private sectors in their attempt to meet the shelter needs of Washington residents;
- 12 (b) Reevaluate housing and housing-related programs and policies in 13 order to ensure proper coordination of those programs and policies to 14 meet the housing needs of Washington residents;
- 15 (c) Improve the delivery of state services and assistance to very 16 low-income and low-income households and special needs populations;
- (d) Strengthen partnerships among all levels of government, and the public and private sectors, including for-profit and nonprofit organizations, in the production and operation of housing to targeted populations including low-income and moderate-income households;
- 21 (e) Increase the supply of housing for persons with special needs;
 - (f) Encourage collaborative planning with social service providers;
- 23 (g) Encourage financial institutions to increase residential 24 mortgage lending; and
- 25 (h) Coordinate housing into comprehensive community and economic development strategies at the state and local level.
- NEW SECTION. Sec. 2. It is the goal of the state of Washington to coordinate, encourage, and direct, when necessary, the efforts of the public and private sectors of the state and to cooperate and participate, when necessary, in the attainment of a decent home in a healthy, safe environment for every resident of the state. The legislature declares that attainment of that goal is a state priority.
- NEW SECTION. Sec. 3. The objectives of the Washington housing policy act shall be to attain the state's goal of providing a decent home in a healthy, safe environment for every resident of the state by strengthening public and private institutions that are able to:

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- 1 (1) Develop an adequate and affordable supply of housing for all 2 economic segments of the population;
- 3 (2) Assist very low-income and special needs households who cannot 4 obtain affordable, safe, and adequate housing in the private market;
 - (3) Encourage and maintain home ownership opportunities;
- 6 (4) Reduce life cycle housing costs while preserving public health 7 and safety;
 - (5) Preserve the supply of existing affordable housing;
 - (6) Provide housing for special needs populations;

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- 10 (7) Ensure fair and equal access to the housing market;
- 11 (8) Increase the availability of mortgage credit at low interest 12 rates; and
- 13 (9) Coordinate and be consistent with the goals and objectives of 14 the state's growth management act.
- NEW SECTION. Sec. 4. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
- 18 (1) "Affordable housing" means residential housing that is rented 19 or owned by a person who qualifies as a very low-income, low-income, or 20 moderate-income household and special needs populations, and whose 21 monthly housing costs, including utilities other than telephone, do not 22 exceed thirty percent of the household's monthly income.
- 23 (2) "Affordable housing development" means either: (a) Residential 24 rental housing in which (i) twenty percent or more of the dwelling 25 units in the development are occupied by households with incomes at or below fifty percent of the median income, adjusted for household size, 26 for the county where the housing development is located and rented at 27 affordable rents or (ii) forty percent or more of the dwelling units in 28 29 the development are occupied by households with incomes at or below sixty percent of the median income, adjusted for household size, for 30 the county where the housing development is located and rented at 31 affordable rents; or (b) residential housing for private individual 32 33 ownership that is occupied by households with incomes at or below 34 eighty percent of the median income, adjusted for household size, for the county where the housing development is located. 35
- 36 (3) "Affordable rent" means that the gross rent paid by the 37 household does not exceed thirty percent of the applicable qualifying

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- 1 income, adjusted for household size, for the county where the housing 2 development is located.
- 3 (4) "Displaced homemaker" means an individual who: (a) Is an adult; (b) has not worked full-time full-year in the labor force for two or more years but has, during such years, worked primarily without remuneration to care for the home and family; and (c) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.
- 9 (5) "First-time homebuyer" means (a) an individual or his or her 10 spouse who has not owned a residence during the three-year period prior 11 to the purchase of a home or (b) a displaced homemaker.
- 12 (6) "Gross rent" means the monthly rent agreed to or contracted for 13 and includes all utilities, other than telephone expenses, but does not 14 include payments made under a federal, state, or local rent subsidy 15 program designed to make the dwelling unit in the structure affordable 16 to very low-income or low-income households.
- 17 (7) "Residence" means a single-family dwelling unit whether such unit be separate or part of a multi-unit dwelling, including the land 18 19 on which such dwelling stands not to exceed one acre. The term shall 20 also include a share ownership in a cooperate housing association, corporation, or partnership if the share represents a specific unit. 21 22 The term also includes a mobile home which has substantially lost its 23 identity as a mobile unit by virtue of its being fixed in location upon 24 land owned or leased by the owner of the mobile home and placed on a 25 post or block foundation with fixed pipe connections with sewer, water, 26 or other utilities.
 - (8) "Nonprofit organization" means any public or private nonprofit organization that: (a) Is organized under federal, state, or local laws; (b) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; and (c) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income, low-income, or moderate-income households and special needs populations.
- (9) "Tenant-based organization" means a nonprofit organization whose governing body includes a majority of members who reside in the housing development and are considered low-income households.
- 37 (10) "Very low-income household" means a single person, family, or 38 unrelated persons living together whose income is at or below fifty

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- 1 percent of the median income, adjusted for household size, for the 2 county where the housing development is located.
- 3 (11) "Low-income household" means a single person, family, or 4 unrelated persons living together whose income is more than fifty 5 percent but is at or below eighty percent of the median income, 6 adjusted for household size, for the county where the housing 7 development is located.
- 8 (12) "Moderate-income household" means a single person, family, or 9 unrelated persons living together whose income is more than eighty 10 percent but is at or below one hundred fifteen percent of the median 11 income, adjusted for household size, for the county where the housing 12 development is located.
- NEW SECTION. Sec. 5. This act may be known and cited as the "Washington housing policy act."
- NEW SECTION. Sec. 6. Sections 1 through 5 of this act shall constitute a new chapter in Title 43 RCW.

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