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**SUBSTITUTE HOUSE BILL 2163**

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**State of Washington**

**59th Legislature**

**2005 Regular Session**

**By** House Committee on Housing (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)

READ FIRST TIME 02/28/05.

1 AN ACT Relating to preventing and ending homelessness in the state  
2 of Washington; amending RCW 36.22.178, 36.18.010, 43.185B.005,  
3 43.185B.009, 43.185B.020, and 43.185B.040; adding new sections to  
4 chapter 36.22 RCW; adding a new chapter to Title 43 RCW; and providing  
5 an effective date.

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

7 NEW SECTION. **Sec. 1.** Despite laudable efforts by all levels of  
8 government, private individuals, nonprofit organizations, and  
9 charitable foundations to end homelessness, the number of homeless  
10 persons in Washington is unacceptably high. The state's homeless  
11 population, furthermore, includes a large number of families with  
12 children, youth, and employed persons. The legislature finds that the  
13 fiscal and societal costs of homelessness are high for both the public  
14 and private sectors, and that ending homelessness is both morally and  
15 economically imperative.

16 The legislature finds that there are many causes of homelessness,  
17 including a shortage of affordable housing; a shortage of family-wage  
18 jobs which undermines housing affordability; a lack of an accessible  
19 and affordable health care system available to all who suffer from

1 physical and mental illnesses and chemical and alcohol dependency;  
2 domestic violence; and a lack of education and job skills necessary to  
3 acquire adequate wage jobs in the economy of the twenty-first century.

4 The support and commitment of all sectors of the statewide  
5 community is critical to the chances of success in ending homelessness  
6 in Washington. While the provision of housing and housing-related  
7 services to the homeless should be administered at the local level to  
8 best address specific community needs, the legislature also recognizes  
9 the need for the state to play a primary coordinating, supporting, and  
10 monitoring role. In order to truly end homelessness, there must be a  
11 clear assignment of responsibilities and a clear statement of  
12 achievable and quantifiable goals. Systematic statewide data  
13 collection on homelessness in Washington must be a critical component  
14 of such a program enabling the state to work with local governments to  
15 count, track, and report upon the number and geographic location of all  
16 homeless persons.

17 The systematic collection and rigorous evaluation of homeless data,  
18 a search for and implementation through adequate resource allocation of  
19 best practices, and the systematic measurement of progress toward  
20 interim goals and the ultimate goal of ending homelessness are all  
21 necessary components of a statewide effort to end homelessness in  
22 Washington by July 1, 2015.

23 NEW SECTION. **Sec. 2.** This chapter may be known and cited as the  
24 ending homelessness act.

25 NEW SECTION. **Sec. 3.** The definitions in this section apply  
26 throughout this chapter unless the context clearly requires otherwise.

27 (1) "Department" means the department of community, trade, and  
28 economic development.

29 (2) "Director" means the director of the department of community,  
30 trade, and economic development.

31 (3) "Homeless person" means an individual living without permanent  
32 shelter, including an individual living outside, in an emergency  
33 shelter, and in a temporary housing program which may include a  
34 transitional and supportive housing program if habitation time limits  
35 exist.

1 (4) "Washington homeless census" means an annual statewide census  
2 conducted as a collaborative effort by towns, cities, counties,  
3 community-based organizations, and state agencies, with the technical  
4 support and coordination of the department, to count and collect data  
5 on all homeless individuals in Washington. After the first census, the  
6 department shall implement increasingly frequent counts to work towards  
7 reaching the goal of continuously available current information on  
8 homeless statistics.

9 (5) "Homeless housing account" means the state treasury account  
10 receiving the state's portion of income from revenue from the sources  
11 established by section 9 of this act.

12 (6) "Homeless housing grant program" means the vehicle by which  
13 competitive grants are awarded by the department, utilizing moneys from  
14 the homeless housing account, to local governments for programs  
15 directly related to housing homeless individuals and families,  
16 addressing the root causes of homelessness, preventing homelessness,  
17 collecting data on homeless individuals, and other efforts directly  
18 related to ending homelessness in Washington. State funds accessible  
19 through the homeless housing grant program are to supplement the local  
20 government's share of the revenue from the sources established by  
21 section 9 of this act to support programs to end homelessness within  
22 their boundaries.

23 (7) "Local government" means a county government in the state of  
24 Washington or a city government, if the legislative authority of the  
25 city affirmatively elects to join this effort by accepting the  
26 responsibility for ending homelessness within its borders through the  
27 operation of a homeless housing program separate from that of the  
28 county.

29 (8) "Housing continuum" means the progression of individuals along  
30 a housing-focused continuum with homelessness at one end and  
31 homeownership at the other. Such a continuum could, for example, range  
32 from homeless on the street, to homeless in a temporary shelter, to  
33 participation in a transitional housing program, to residency in a  
34 supportive housing environment, to acquisition and maintenance of a  
35 subsidized apartment, to acquisition and maintenance of a nonsubsidized  
36 apartment, and, for many, to homeownership.

37 (9) "Local homeless housing advisory council" means a voluntary  
38 local committee created to advise a local government on the creation of

1 a local homeless housing strategic plan, participate in a program  
2 evaluation within the service area, and report to the department on the  
3 local area's progress toward meeting the goal of ending homelessness.

4 (10) "Long-term private or public housing" and "permanent shelter"  
5 mean subsidized and unsubsidized rental or owner-occupied housing in  
6 which there is no established time limit for habitation of less than  
7 two years.

8 (11) "Housing wage" is the amount a person working full time has to  
9 earn to afford the fair market rent on a two bedroom unit while paying  
10 no more than thirty percent of their income in rent.

11 (12) "Interagency council on homelessness" means a committee  
12 appointed by the governor and consisting of, at least, the director of  
13 the department; the secretary of the department of corrections; the  
14 secretary of the department of social and health services; the director  
15 of the department of veterans affairs; and the secretary of the  
16 department of health.

17 (13) "Homeless population" means, at the time of the first  
18 statewide homeless census, the number of persons living without housing  
19 or in temporary shelters, and after that time it shall mean the number  
20 living without housing, including those who have refused a bona fide  
21 offer of housing under the local homeless housing plan, or in temporary  
22 shelter as of that later date plus the number who have successfully  
23 secured and remain in transitional or permanent housing under the local  
24 plan since the date of the first homeless census, or having secured  
25 such housing, have moved out of the local area.

26 (14) "Performance measurement" means the process of comparing  
27 specific measures of success against ultimate and interim goals.

28 (15) "Community action agency" means a nonprofit private or public  
29 organization established under the economic opportunity act of 1964.

30 (16) "Housing authority" means any of the public corporations  
31 created by chapter 35.82 RCW.

32 NEW SECTION. **Sec. 4.** There is created within the department the  
33 homeless housing program to develop and coordinate a statewide  
34 strategic plan targeted to reduce the underlying causes of homelessness  
35 and create resources targeted to providing all homeless individuals and  
36 families with decent permanent housing. The department and all  
37 Washington county governments share the responsibility for ending

1 homelessness in the state of Washington within ten years. The program  
2 shall be developed and administered by the department with advice and  
3 input from the affordable housing advisory board established in RCW  
4 43.185B.020 and the state homeless advisory council.

5 NEW SECTION. **Sec. 5.** The department shall annually conduct a  
6 Washington homeless census or count. The census shall make every  
7 effort to count all homeless individuals living outdoors, in shelters,  
8 and in transitional housing. The department shall collaborate with  
9 existing local homeless census projects where they exist. The  
10 department shall work with local governments and community  
11 organizations to implement census projects in areas of the state not  
12 currently conducting an annual census count.

13 All homeless census projects must make every effort to collect  
14 basic demographic information on each homeless individual, to include:

- 15 (1) Name;
- 16 (2) Gender;
- 17 (3) Birth date;
- 18 (4) Family status and next of kin notification information;
- 19 (5) Health and disability status;
- 20 (6) Veteran status;
- 21 (7) Current housing situation;
- 22 (8) Current location and contact information;
- 23 (9) Government subsidies currently being accessed;
- 24 (10) Substance abuse issues;
- 25 (11) Employment status;
- 26 (12) Annual income;
- 27 (13) Last address;
- 28 (14) Self-declared reason for homelessness;
- 29 (15) Education and training status;
- 30 (16) Race;
- 31 (17) Additional information as determined by the department; and
- 32 (18) Additional information of interest to the local community.

33 All personal information collected in the census is confidential,  
34 and the department and each local government shall take all necessary  
35 steps to protect the identity of each person counted.

36 The Washington homeless census shall be conducted initially  
37 annually on a schedule created by the department. The census will be

1 coordinated, when reasonably feasible, with already existing homeless  
2 census projects including those funded in part by the United States  
3 department of housing and urban development, under the McKinney-Vento  
4 homeless assistance program.

5 After two years, the count shall be updated by appropriate  
6 methodology every six months. After four years, the count shall be  
7 updated every three months. After six years, the count shall be  
8 updated once each month. After ten years the count shall be updated on  
9 a daily basis.

10 The department shall create a uniform method, as part of its  
11 homeless management information system, created under RCW 43.63A.655,  
12 by which individual local government homeless census projects will  
13 submit their data for statewide tabulation, analysis, and reporting,  
14 and shall develop a methodology for determining the counts between full  
15 census counts from available data. The department shall make the  
16 annual statewide Washington homeless census data available to the  
17 public each year. This data, and its analysis, shall be included in  
18 the department's annual updated homeless housing program strategic  
19 plan. Local governments shall utilize the data to update their local  
20 strategic plans.

21 The department shall assist local governments in improving data  
22 collection methods for their homeless census projects to progress  
23 towards the ultimate goal of achieving the availability of continuous  
24 information on the number, location, and characteristics of homeless  
25 persons in Washington.

26 By the end of year four, the department shall implement an online  
27 real-time information and referral system to enable a local government  
28 to identify available housing for a homeless person. Data collected  
29 through this system shall also provide the department with regular  
30 counts of the number of homeless persons acquiring housing and the  
31 number of persons turned away without successful housing placement. A  
32 quarterly summary including such data shall be produced and shall  
33 include a summary of the type and quality of the housing provided to  
34 homeless individuals. This report shall be produced by the department  
35 and shall be available to the public for review.

36 By the end of year four, the department shall implement a  
37 nationally recognized quality management system.

1 By the end of year five, the department shall apply to the  
2 Washington state quality award program, and shall apply every five  
3 years thereafter.

4 NEW SECTION. **Sec. 6.** Six months after the first Washington  
5 homeless census, the department shall prepare and present a ten-year  
6 homeless housing program strategic plan which shall outline statewide  
7 goals and performance measures. This plan shall be prepared with  
8 consultation from the interagency council on homelessness and with  
9 local governments and homeless housing providers, and shall be  
10 coordinated with the plan for homeless families with children required  
11 under RCW 43.63A.650. The plan shall be updated annually and shall be  
12 annually reviewed and approved by the governor. The department's  
13 updated plans will subsequently be released each June. Local  
14 governments' local ten-year homeless housing strategic plans shall be  
15 consistent with the goals and program recommendations of the state  
16 plan.

17 Mandatory homeless housing program outcomes and performance  
18 measures and goals are defined within this section. Additional  
19 performance measures may be created by the department. Performance  
20 measures must be reflected in the department's homeless housing  
21 strategic plan as well as in local strategic plans.

22 The department shall issue mandatory homeless housing program goals  
23 that apply to both the department for statewide outcomes and local  
24 governments for local outcomes. The performance measures and goals  
25 must include, but are not limited to, the following:

26 (1) By the end of year one, completion of the census under section  
27 5 of this act;

28 (2) By the end of year two, all individuals in the homeless  
29 population shall be offered housing in at least temporary housing,  
30 which could include emergency shelters or other indoor facilities;

31 (3) By the end of year four, twenty-five percent of the local  
32 homeless population shall be housed in long-term private or public  
33 housing;

34 (4) By the end of year six, fifty percent of the local homeless  
35 population shall be housed in long-term private or public housing;

36 (5) By the end of year eight, seventy-five percent of the local

1 homeless population shall be housed in long-term private or public  
2 housing; and

3 (6) By the end of year ten, and in each subsequent year, one  
4 hundred percent of the local homeless population shall be housed in  
5 long-term private or public housing.

6 The department shall report annually to the governor and the  
7 appropriate committees of the legislature an assessment of its  
8 performance in addressing the statewide homeless problem, and the  
9 performance of each participating local government in creating and  
10 executing a local homeless housing plan which meets the requirements of  
11 this chapter.

12 The affordable housing advisory board, established in RCW  
13 43.185B.020, the state homeless advisory council, and the interagency  
14 council on homelessness shall advise the director on homeless housing  
15 needs in the state, operational aspects of the grant program and  
16 revenue collection program established by this chapter, and  
17 implementation of the policy and goals of this chapter. The department  
18 shall develop quantifiable measures of the major state program and  
19 institutional causes of homelessness.

20 NEW SECTION. **Sec. 7.** Each local government must create a local  
21 homeless housing advisory council consisting of representatives from  
22 multiple stakeholder groups. Advisory council members could include  
23 representatives from other governmental entities within the defined  
24 area, nonprofit community or neighborhood-based organizations,  
25 federally recognized Indian tribes in the state of Washington, local  
26 housing authorities, representatives from the business community, work  
27 force training entities, health care organizations, and regional or  
28 statewide nonprofit housing assistance organizations. Councils must  
29 also include a homeless or formerly homeless individual.

30 In lieu of creating a new local homeless housing advisory council,  
31 a local government may designate an existing body which substantially  
32 conforms to this section and which includes at least one homeless or  
33 formerly homeless individual to serve as its homeless representative.

34 NEW SECTION. **Sec. 8.** Each local government shall prepare and  
35 present a ten-year homeless housing plan for its jurisdictional area  
36 which shall be consistent with the department's statewide ten-year



1 plan. This local plan shall be updated annually and submitted to the  
2 department for approval as to consistency with the state plan. Local  
3 plans shall be submitted to the department for review and shall be  
4 available to the public. All local plans shall be integrated with the  
5 local government's efforts under the coordinated and comprehensive plan  
6 for homeless families with children required under RCW 43.63A.650; and  
7 shall include the mandatory homeless housing program performance  
8 measures as provided in section 6 of this act and any additional  
9 performance measures created by the department. Plans may include  
10 specific local performance measures determined by the local homeless  
11 housing advisory councils and adopted by the local government  
12 legislative authority, and may include recommendations for any state  
13 legislation needed to meet goals. To be approved by the department, a  
14 local plan must include measures reasonably calculated to achieve the  
15 housing goals in section 6 of this act, including the ultimate goal of  
16 housing for all persons in the local homeless population.

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 36.22 RCW  
18 to read as follows:

19 (1) In addition to the surcharge authorized in RCW 36.22.178, and  
20 except as provided in subsection (2) of this section, an additional  
21 surcharge of ten dollars shall be charged by the county auditor for  
22 each document recorded, which will be in addition to any other charge  
23 allowed by law. The funds collected pursuant to this section are to be  
24 distributed and used as follows:

25 (a) The auditor shall remit sixty percent to the county, five  
26 percent of which may be used by the county for administrative costs  
27 related to its homeless housing plan, and the remainder for programs  
28 which directly accomplish the goals of the county's strategic plan to  
29 end homelessness, except that for each city in the county which elects  
30 as authorized in section 13 of this act to operate its own homeless  
31 housing program, the surcharge assessed under this section and paid in  
32 connection with transactions in that city shall be transmitted  
33 quarterly to the city treasurer, without any deduction for county  
34 administrative costs, for use by the city for program costs which  
35 directly contribute to the goals of the city's strategic plan to end  
36 homelessness; of the funds received by the city, it may use five  
37 percent for administrative costs for its homeless program.

1 (b) The auditor shall remit forty percent to the state treasurer  
2 for deposit in the homeless housing account. The department may use  
3 twelve and one-half percent of this amount for administration of the  
4 program established in section 4 of this act. The remaining eighty-  
5 seven and one-half percent is to be distributed by the department  
6 through the homeless housing grant program.

7 (2) The surcharge imposed in this section does not apply to  
8 assignments or substitutions of previously recorded deeds of trust.

9 NEW SECTION. **Sec. 10.** The homeless housing account is created in  
10 the custody of the state treasurer. The state's portion of the  
11 surcharge established in section 9 of this act must be deposited in the  
12 account. Expenditures from the account may be used only for the  
13 homeless housing program as described in section 9(1)(b) of this act.  
14 Only the director or the director's designee may authorize expenditures  
15 from the account. The account is subject to allotment procedures under  
16 chapter 43.88 RCW, but an appropriation is not required for  
17 expenditures.

18 NEW SECTION. **Sec. 11.** A new section is added to chapter 36.22 RCW  
19 to read as follows:

20 (1) In addition to the surcharges authorized in RCW 36.22.178 and  
21 section 9 of this act, and except as provided in subsection (2) of this  
22 section, an additional surcharge of five dollars may be authorized by  
23 the legislative authority of the county and charged by the county  
24 auditor for each document recorded, which will be in addition to any  
25 other charge allowed by law. The funds collected pursuant to this  
26 section are to be retained by the county, except that the funds  
27 collected in connection with a transaction in a city which operates its  
28 own homeless housing program under section 13 of this act shall be  
29 transmitted quarterly to that city, and the county or city shall use  
30 these funds solely for the purposes authorized in section 9 of this  
31 act.

32 (2) The surcharge imposed in this section does not apply to  
33 assignments or substitutions of previously recorded deeds of trust.

34 (3) Beginning four years after the effective date of this act, no  
35 local government may authorize, charge, or collect the surcharge  
36 authorized under this section unless it has implemented a nationally

1 recognized quality management program comparable to the program  
2 implemented by the department, for all projects and activities funded  
3 by this act, and beginning five years after the effective date of this  
4 act it may not authorize, charge, or collect this surcharge unless it  
5 has provided to the department the results of an outside quality  
6 assessment, which is to be repeated every five years.

7 NEW SECTION. **Sec. 12.** (1) During each calendar year in which  
8 moneys from the homeless housing account are available for use by the  
9 department for the homeless housing grant program, the department shall  
10 announce to all Washington counties, participating cities, and through  
11 major media throughout the state, a grant application period of at  
12 least ninety days' duration. This announcement will be made as often  
13 as the director deems appropriate for proper utilization of resources.  
14 The department shall then promptly grant as many applications as will  
15 utilize available funds, less appropriate administrative costs of the  
16 department as described in section 9 of this act. In awarding funds  
17 under this chapter, the department shall strive for a roughly equal  
18 geographic distribution of the funds.

19 (2) The department will develop, with advice and input from the  
20 affordable housing advisory board established in RCW 43.185B.020,  
21 criteria to evaluate grant applications.

22 (3) The department may approve applications only if they are  
23 consistent with the local and state homeless housing program strategic  
24 plans and have been reviewed by the local homeless housing advisory  
25 council. The department may give preference to applications based on  
26 some or all of the following criteria:

27 (a) The total homeless population in the applicant local government  
28 service area, as reported by the most recent annual Washington homeless  
29 census;

30 (b) Current local expenditures to provide housing for the homeless  
31 and to address the underlying causes of homelessness as described in  
32 section 1 of this act;

33 (c) Local government and private contributions pledged to the  
34 program in the form of matching funds, property, infrastructure  
35 improvements, and other contributions; and the degree of leveraging of  
36 other funds from local government or private sources for the program  
37 for which funds are being requested, to include recipient contributions

1 to total project costs, including allied contributions from other  
2 sources such as professional, craft and trade services, and lender  
3 interest rate subsidies;

4 (d) Construction projects that demonstrate a strong probability of  
5 serving homeless individuals or families for a period of at least  
6 twenty-five years;

7 (e) Projects which demonstrate serving homeless populations with  
8 the greatest needs, including projects that serve special needs  
9 populations;

10 (f) The degree to which the applicant project represents a  
11 collaboration between local governments, nonprofit community-based  
12 organizations, local and state agencies, and the private sector,  
13 especially through its integration with the coordinated and  
14 comprehensive plan for homeless families with children required under  
15 RCW 43.63A.650;

16 (g) The experience and past performance of the local government in  
17 operating similar programs;

18 (h) The prior performance of the local government in operating  
19 programs funded by the homeless housing account;

20 (i) The operational capacity of the local government and its  
21 subcontracting entity, if any, including fiscal capacity, staff  
22 experience, and management structure;

23 (j) The existence of performance measures within the program's  
24 evaluation plan to consist of the homeless housing program's mandatory  
25 performance measures as defined in section 6 of this act, additional  
26 mandatory homeless housing performance measures which may be defined by  
27 the department, and specific local performance measures, if applicable;

28 (k) The ability to track and report on outcomes related to the  
29 mandatory homeless housing program performance measures and other  
30 defined local performance measures;

31 (l) The cooperation of the local government in the annual  
32 Washington homeless census project;

33 (m) The commitment of the local government and any subcontracting  
34 local governments, nonprofit organizations, and for-profit entities to  
35 employ a diverse work force;

36 (n) The extent, if any, that the local homeless population is  
37 disproportionate to the revenues collected under this chapter, RCW  
38 36.22.178, and sections 9 and 11 of this act;

1 (o) Other elements shown by the applicant to be directly related to  
2 the goal and the department's state strategic plan;

3 (p) After year three, an organization's performance as reported by  
4 the affordable housing advisory board performance scorecard; and

5 (q) The successful implementation of a nationally recognized  
6 quality management program by the local government. However, after  
7 year four, to be eligible for a grant, each local government must have  
8 implemented a nationally recognized quality management program  
9 comparable to the program implemented by the department for all  
10 projects and activities funded by this act, and after year five it must  
11 have provided to the department the results of an outside quality  
12 assessment, which shall be repeated every five years.

13 NEW SECTION. **Sec. 13.** Only a local government is eligible to  
14 receive a homeless housing grant from the homeless housing account.  
15 The legislature specifically assigns responsibility to individual  
16 counties to end homelessness within their borders. All counties  
17 receive revenue directly from sources established by RCW 36.22.178 and  
18 sections 9 and 11 of this act to accomplish this goal. Counties are  
19 also eligible to apply for a portion of the state's portion of funding  
20 from sources established by this chapter through the homeless housing  
21 grant program. Any city may specifically assert responsibility for  
22 ending homelessness within its borders if it so chooses, by forwarding  
23 a resolution to the board of county commissioners stating its intention  
24 and its commitment to operate a separate homeless housing program. A  
25 city shall make the determination regarding whether or not there is a  
26 need for the city to assert control and assume responsibility for  
27 ending homelessness within its boundaries on its own volition or upon  
28 the successful completion of a petition by fifty citizens of the city.  
29 The city shall then receive the portion of the county funds  
30 attributable to document recordings involving transactions within the  
31 city. A participating city may also then apply separately and  
32 individually for homeless housing program grants. A city choosing to  
33 operate a separate homeless housing program is thereby accepting the  
34 responsibility for ending homelessness within the city's boundaries and  
35 is responsible for complying with all of the same reporting  
36 requirements as counties.

1 Local governments applying for homeless housing funds may  
2 subcontract with any other local government, nonprofit community-based  
3 organization, or private entity for the execution of programs  
4 contributing to the overall goal of ending homelessness within a  
5 defined service area. All subcontracts shall be consistent with the  
6 local homeless housing plan adopted by the legislative authority of the  
7 local government and filed with the department and shall have specific  
8 performance terms. Two or more local governments may also work in  
9 concert to develop and execute a joint homeless housing strategic plan,  
10 or to contract with another entity to do so. While a local government  
11 has the authority to subcontract with other entities, the local  
12 government continues to maintain the ultimate responsibility for ending  
13 homelessness within its borders.

14 NEW SECTION. **Sec. 14.** (1) The department shall allocate grant  
15 moneys from the homeless housing account to finance in whole or in part  
16 programs and projects to assist homeless individuals and families gain  
17 access to adequate housing, prevent at-risk individuals from becoming  
18 homeless, address the root causes of homelessness, track and report on  
19 homeless-related data, and facilitate the movement of homeless or  
20 formerly homeless individuals along the housing continuum toward more  
21 stable and independent housing.

22 (2) Activities eligible for assistance from the homeless housing  
23 account include, but are not limited to:

24 (a) Shelters, transitional and related services for the homeless,  
25 including emergency shelters, overnight youth shelters, transitional  
26 housing, and supportive housing;

27 (b) Participation in a rental assistance subsidy or voucher  
28 program;

29 (c) Emergency eviction prevention programs, including temporary  
30 rental and mortgage payment subsidies to prevent homelessness;

31 (d) New construction, expansion, rehabilitation, or acquisition of  
32 housing units specifically to be used to house homeless individuals and  
33 families;

34 (e) Homeless supportive services directly related to assisting  
35 families to acquire and retain stable housing;

36 (f) Rental deposit and security deposit assistance for individuals  
37 and families moving into rental units;

- 1 (g) Outreach to homeless individuals and families;
- 2 (h) Homeless census data collection including homeless management  
3 information systems;
- 4 (i) Creation and ongoing management of voluntary local homeless  
5 housing advisory councils;
- 6 (j) Administrative costs when such a grant will substantially  
7 increase the recipient's access to housing funds other than those  
8 available under this chapter; and
- 9 (k) Technical assistance, design, and finance services and  
10 consultation.

11 NEW SECTION. **Sec. 15.** The department shall develop a consistent  
12 statewide data gathering instrument to monitor the performance of grant  
13 recipients in order to determine compliance with the terms and  
14 conditions set forth in the grant application or required by the  
15 department. The data gathering instrument shall allow the governor,  
16 legislature, and other citizens to monitor the progress of the state  
17 and local governments in accomplishing the goals of this chapter. The  
18 department shall encourage and assist local governments to collaborate  
19 with other local entities and to use relevant information from other  
20 agencies and entities. The department shall evaluate the information  
21 gathered and disseminate its findings in periodic reports. The  
22 affordable housing advisory board shall annually publish a graded  
23 scorecard and summary evaluation of the performance of the department  
24 and each local government toward meeting its goals under the local and  
25 statewide plans, including a graded assessment of the following  
26 performance measures:

- 27 (1) The reduction in homelessness from the initial count;
- 28 (2) The reduction in persons turned away without a housing  
29 placement;
- 30 (3) The reduction in transition time from homelessness to permanent  
31 housing;
- 32 (4) The reduction in the death rate amongst the homeless  
33 population;
- 34 (5) The cost per person in housing and related services provided  
35 per individual for each type of housing in the housing continuum;
- 36 (6) The local government's quality management system;

- 1 (7) The ability to successfully collect data and report
- 2 performance;
- 3 (8) The extent of collaboration and coordination between public
- 4 bodies, as well as community stakeholders;
- 5 (9) The level of community support and participation in program
- 6 planning and local funding toward ending homelessness;
- 7 (10) The quality and safety of housing provided;
- 8 (11) The number of persons transitioning out of shelters into
- 9 permanent housing; and
- 10 (12) The adequacy of the local homeless housing plan and its
- 11 implementation.

12 NEW SECTION. **Sec. 16.** The department shall provide technical  
13 assistance to any participating local government that requests such  
14 assistance. Technical assistance activities may include:

- 15 (1) Assisting local governments to identify appropriate parties to
- 16 participate on local homeless housing advisory councils;
- 17 (2) Assisting local governments to identify appropriate service
- 18 providers with which the local governments may subcontract for service
- 19 provision and development activities, when necessary;
- 20 (3) Assisting local governments to implement or expand homeless
- 21 census programs to meet homeless housing program requirements;
- 22 (4) Assisting in the identification of "best practices" from other
- 23 areas;
- 24 (5) Assisting in identifying additional funding sources for
- 25 specific projects; and
- 26 (6) Training local government and subcontractor staff.

27 NEW SECTION. **Sec. 17.** The department shall establish a uniform  
28 process for participating local governments to report progress toward  
29 meeting goals relative to the mandatory performance outcomes. At a  
30 minimum, progress towards goals and goals achieved shall be reported by  
31 each local government in its annual updated homeless housing strategic  
32 plan.

33 NEW SECTION. **Sec. 18.** The department shall advise local  
34 governments and their subcontracting agents on the interpretation and



1 appropriate reporting of mandatory performance measures detailed in  
2 this chapter, including how a homeless person's refusal to accept an  
3 offer of housing is to be recorded and reported.

4 NEW SECTION. **Sec. 19.** The department may issue rules regarding  
5 the grant process and the substance of eligible programs and projects  
6 consistent with this chapter. The department shall consider the  
7 recommendations of the affordable housing advisory board, the state  
8 homeless advisory council, local governments, and local homeless  
9 housing advisory councils regarding how funds are used in their  
10 geographic areas.

11 NEW SECTION. **Sec. 20.** The department shall ensure that the  
12 state's interest is protected upon the development, use, sale, or  
13 change of use of projects constructed, acquired, or financed in whole  
14 or in part through the homeless housing grant program. These policies  
15 may include, but are not limited to: (1) Requiring a share of the  
16 appreciation in the project in proportion to the state's contribution  
17 to the project, or (2) requiring a lump sum repayment of the grant upon  
18 the sale or change of use of the project.

19 **Sec. 21.** RCW 36.22.178 and 2002 c 294 s 2 are each amended to read  
20 as follows:

21 (1) Except as provided in subsection (2) of this section, a  
22 surcharge of ten dollars per instrument shall be charged by the county  
23 auditor for each document recorded, which will be in addition to any  
24 other charge authorized by law. The (~~auditor~~) county may retain up  
25 to five percent of these funds collected (~~to administer~~) solely for  
26 the collection, administration, and local distribution of these funds.  
27 Of the remaining funds, forty percent of the revenue generated through  
28 this surcharge will be transmitted monthly to the state treasurer who  
29 will deposit the funds into the Washington housing trust account. The  
30 office of community development of the department of community, trade,  
31 and economic development will develop guidelines for the use of these  
32 funds to support building operation and maintenance costs of housing  
33 projects or units within housing projects that are affordable to  
34 extremely low-income persons with incomes at or below thirty percent of  
35 the area median income, and that require a supplement to rent income to

1 cover ongoing operating expenses. (~~Sixty percent of the revenue~~) All  
2 of the remaining funds generated by this surcharge will be retained by  
3 the county and be deposited into a fund that must be used by the county  
4 and its cities and towns for housing projects or units within housing  
5 projects that are affordable to very low-income persons with incomes at  
6 or below fifty percent of the area median income. The portion of the  
7 surcharge retained by a county shall be allocated to very low-income  
8 housing projects or units within such housing projects in the county  
9 and the cities within a county according to an interlocal agreement  
10 between the county and the cities within the county, consistent with  
11 countywide and local housing needs and policies. The funds generated  
12 with this surcharge shall not be used for construction of new housing  
13 if at any time the vacancy rate for available low-income housing within  
14 the county rises above ten percent. The vacancy rate for each county  
15 shall be developed using the state low-income vacancy rate standard  
16 developed under subsection (3) of this section. (~~Permissible~~) Uses  
17 of these local funds are limited to:

18 (a) Acquisition, construction, or rehabilitation of housing  
19 projects or units within housing projects that are affordable to very  
20 low-income persons with incomes at or below fifty percent of the area  
21 median income;

22 (b) Supporting building operation and maintenance costs of housing  
23 projects or units within housing projects (~~built with~~) eligible to  
24 receive housing trust funds, that are affordable to very low-income  
25 persons with incomes at or below fifty percent of the area median  
26 income, and that require a supplement to rent income to cover ongoing  
27 operating expenses;

28 (c) Rental assistance vouchers for housing projects or units within  
29 housing projects that are affordable to very low-income persons with  
30 incomes at or below fifty percent of the area median income, to be  
31 administered by a local public housing authority or other local  
32 organization that has an existing rental assistance voucher program,  
33 consistent with the United States department of housing and urban  
34 development's section 8 rental assistance voucher program standards;  
35 and

36 (d) Operating costs for emergency shelters and licensed overnight  
37 youth shelters.

1 (2) The surcharge imposed in this section does not apply to  
2 assignments or substitutions of previously recorded deeds of trust.

3 (3) The real estate research center at Washington State University  
4 shall develop a vacancy rate standard for low-income housing in the  
5 state as described in RCW 18.85.540(1)(i).

6 **Sec. 22.** RCW 36.18.010 and 2002 c 294 s 3 are each amended to read  
7 as follows:

8 County auditors or recording officers shall collect the following  
9 fees for their official services:

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

21 For preparing and certifying copies, for the first page eight and  
22 one-half by fourteen inches or less, three dollars; for each additional  
23 page eight and one-half by fourteen inches or less, one dollar;

24 For preparing noncertified copies, for each page eight and one-half  
25 by fourteen inches or less, one dollar;

26 For administering an oath or taking an affidavit, with or without  
27 seal, two dollars;

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

1 revenue generated by this fee for the purposes of the displaced  
2 homemaker act, chapter 28B.04 RCW;

3 For searching records per hour, eight dollars;

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

8 For recording of miscellaneous records not listed above, for the  
9 first page eight and one-half by fourteen inches or less, five dollars;  
10 for each additional page eight and one-half by fourteen inches or less,  
11 one dollar;

12 For modernization and improvement of the recording and indexing  
13 system, a surcharge as provided in RCW 36.22.170((~~-~~));

14 For recording an emergency nonstandard document as provided in RCW  
15 65.04.047, fifty dollars, in addition to all other applicable recording  
16 fees((~~-~~));

17 For recording instruments, a surcharge as provided in RCW  
18 36.22.178;

19 For recording instruments, a surcharge as provided in section 9 of  
20 this act; and

21 For recording instruments, a surcharge as provided in section 11 of  
22 this act.

23 NEW SECTION. Sec. 23. The department of social and health  
24 services shall exempt payments to individuals provided under this  
25 chapter when determining eligibility for public assistance.

26 **Sec. 24.** RCW 43.185B.005 and 1993 c 478 s 1 are each amended to  
27 read as follows:

28 (1) The legislature finds that:

29 (a) Housing is of vital statewide importance to the health, safety,  
30 and welfare of the residents of the state;

31 (b) Eliminating homelessness and moving individuals and families  
32 up the housing continuum is the state's most important housing goal;

33 (c) Safe, affordable housing is an essential factor in stabilizing  
34 communities;

35 ((~~e~~)) (d) Residents must have a choice of housing opportunities  
36 within the community where they choose to live;

- 1        ~~((d))~~ (e) Housing markets are linked to a healthy economy and can  
2 contribute to the state's economy;
- 3        ~~((e))~~ (f) Land supply is a major contributor to the cost of  
4 housing;
- 5        ~~((f))~~ (g) Housing must be an integral component of any  
6 comprehensive community and economic development strategy;
- 7        ~~((g))~~ (h) State and local government must continue working  
8 cooperatively toward the enhancement of increased housing units by  
9 reviewing, updating, and removing conflicting regulatory language;
- 10       ~~((h))~~ (i) State and local government should work together in  
11 developing creative ways to reduce the shortage of housing;
- 12       ~~((i))~~ (j) The lack of a coordinated state housing policy inhibits  
13 the effective delivery of housing for some of the state's most  
14 vulnerable citizens and those with limited incomes; and
- 15       ~~((j))~~ (k) It is in the public interest to adopt a statement of  
16 housing policy objectives.
- 17       (2) The legislature declares that the purposes of the Washington  
18 housing policy act are to:
- 19       (a) Provide policy direction to the public and private sectors in  
20 their attempt to meet the shelter needs of Washington residents;
- 21       (b) Reevaluate housing and housing-related programs and policies in  
22 order to ensure proper coordination of those programs and policies to  
23 meet the housing needs of Washington residents;
- 24       (c) Improve the delivery of state services and assistance to very  
25 low-income and low-income households and special needs populations;
- 26       (d) Strengthen partnerships among all levels of government, and the  
27 public and private sectors, including for-profit and nonprofit  
28 organizations, in the production and operation of housing to targeted  
29 populations including low-income and moderate-income households;
- 30       (e) Increase the supply of housing for persons with special needs;
- 31       (f) Encourage collaborative planning with social service providers;
- 32       (g) Encourage financial institutions to increase residential  
33 mortgage lending; and
- 34       (h) Coordinate housing into comprehensive community and economic  
35 development strategies at the state and local level.

36       **Sec. 25.** RCW 43.185B.009 and 1993 c 478 s 3 are each amended to  
37 read as follows:

1 The objectives of the Washington housing policy act shall be to  
2 attain the state's goal of a decent home in a healthy, safe environment  
3 for every resident of the state by strengthening public and private  
4 institutions that are able to:

5 (1) Develop an adequate and affordable supply of housing for all  
6 economic segments of the population, including the destitute;

7 (2) Identify and reduce the causal factors preventing the state  
8 from reaching its goal;

9 (3) Assist very low-income and special needs households who cannot  
10 obtain affordable, safe, and adequate housing in the private market;

11 ~~((3))~~ (4) Encourage and maintain home ownership opportunities;

12 ~~((4))~~ (5) Reduce life-cycle housing costs while preserving public  
13 health and safety;

14 ~~((5))~~ (6) Preserve the supply of existing affordable housing;

15 ~~((6))~~ (7) Provide housing for special needs populations;

16 ~~((7))~~ (8) Ensure fair and equal access to the housing market;

17 ~~((8))~~ (9) Increase the availability of mortgage credit at low  
18 interest rates; and

19 ~~((9))~~ (10) Coordinate and be consistent with the goals,  
20 objectives, and required housing element of the comprehensive plan in  
21 the state's growth management act in RCW 36.70A.070.

22 **Sec. 26.** RCW 43.185B.020 and 2003 c 40 s 1 are each amended to  
23 read as follows:

24 (1) The department shall establish the affordable housing advisory  
25 board to consist of twenty-two members.

26 (a) The following nineteen members shall be appointed by the  
27 governor:

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

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

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

31 (iv) One representative of the apartment management and operation  
32 industry;

33 (v) One representative of the for-profit housing development  
34 industry;

35 (vi) One representative of for-profit rental housing owners;

36 (vii) One representative of the nonprofit housing development  
37 industry;

- 1 (viii) One representative of homeless shelter operators;
- 2 (ix) One representative of lower-income persons;
- 3 (x) One representative of special needs populations;
- 4 (xi) One representative of public housing authorities as created
- 5 under chapter 35.82 RCW;
- 6 (xii) Two representatives of the Washington association of
- 7 counties, one representative shall be from a county that is located
- 8 east of the crest of the Cascade mountains;
- 9 (xiii) Two representatives of the association of Washington cities,
- 10 one representative shall be from a city that is located east of the
- 11 crest of the Cascade mountains;
- 12 (xiv) One representative to serve as chair of the affordable
- 13 housing advisory board;
- 14 (xv) One representative at large.
- 15 (b) The following three members shall serve as ex officio,
- 16 nonvoting members:
  - 17 (i) The director or the director's designee;
  - 18 (ii) The executive director of the Washington state housing finance
  - 19 commission or the executive director's designee; and
  - 20 (iii) The secretary of social and health services or the
  - 21 secretary's designee.
- 22 (2)(a) The members of the affordable housing advisory board
- 23 appointed by the governor shall be appointed for four-year terms,
- 24 except that the chair shall be appointed to serve a two-year term. The
- 25 terms of five of the initial appointees shall be for two years from the
- 26 date of appointment and the terms of six of the initial appointees
- 27 shall be for three years from the date of appointment. The governor
- 28 shall designate the appointees who will serve the two-year and three-
- 29 year terms. The members of the advisory board shall serve without
- 30 compensation, but shall be reimbursed for travel expenses as provided
- 31 in RCW 43.03.050 and 43.03.060.
- 32 (b) The governor, when making appointments to the affordable
- 33 housing advisory board, shall make appointments that reflect the
- 34 cultural diversity of the state of Washington.
- 35 (3) The affordable housing advisory board shall serve as the
- 36 governor's and the department's principal advisory body on housing and
- 37 housing-related issues, and replaces the department's existing boards
- 38 and task forces on housing and housing-related issues.

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

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

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

12 **Sec. 27.** RCW 43.185B.040 and 1993 c 478 s 12 are each amended to  
13 read as follows:

14 (1) The department shall, in consultation with the affordable  
15 housing advisory board created in RCW 43.185B.020, prepare and from  
16 time to time amend a five-year housing advisory plan. The purpose of  
17 the plan is to document the need for affordable housing in the state  
18 and the extent to which that need is being met through public and  
19 private sector programs, to facilitate planning to meet the affordable  
20 housing needs of the state, and to enable the development of sound  
21 strategies and programs for affordable housing. The information in the  
22 five-year housing advisory plan must include:

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

24 (b) An assessment of the housing needs for all economic segments of  
25 the state and special needs populations, including specific performance  
26 measures on the quantity, cost, and quality of housing by county;

27 (c) An accurate inventory of the supply and geographic distribution  
28 of affordable housing units made available through public and private  
29 sector programs, updated at least yearly;

30 (d) A status report on the degree of progress made by the public  
31 and private sector toward meeting the housing needs of the state, the  
32 specific performance measures necessary to assess this progress, and  
33 the adequacy and appropriateness of current performance measures and  
34 goals;

35 (e) An identification of specific state and local regulatory  
36 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) Specific recommendations, policies, or proposals for meeting  
4 the affordable housing needs of the state within twenty years,  
5 including specific performance measures and goals needed to assess and  
6 to track the performance of the state's housing programs; and

7 (g) A specific assessment and graded evaluation of the quality of  
8 reports provided by the department.

9 (2)(a) The five-year housing advisory plan required under  
10 subsection (1) of this section must be submitted to the legislature on  
11 or before February 1, 1994, and subsequent plans must be submitted  
12 every five years thereafter.

13 (b) Each February 1st, beginning February 1, 1995, the department  
14 shall submit an annual progress report, to the legislature, detailing  
15 the extent to which the state's affordable housing needs were met  
16 during the preceding year and recommendations for meeting those needs.

17 NEW SECTION. Sec. 28. If any part of this act is found to be in  
18 conflict with federal requirements that are a prescribed condition to  
19 the allocation of federal funds to the state, the conflicting part of  
20 this act is inoperative solely to the extent of the conflict and with  
21 respect to the agencies directly affected, and this finding does not  
22 affect the operation of the remainder of this act in its application to  
23 the agencies concerned. Rules adopted under this act must meet federal  
24 requirements that are a necessary condition to the receipt of federal  
25 funds by the state.

26 NEW SECTION. Sec. 29. This act takes effect August 1, 2005.

27 NEW SECTION. Sec. 30. Sections 1 through 8, 10, 12 through 20,  
28 23, 28, and 29 of this act constitute a new chapter in Title 43 RCW.

--- END ---