
SENATE BILL 5590

State of Washington

59th Legislature

2005 Regular Session

By Senators Fairley and Delvin

Read first time 01/28/2005. Referred to Committee on Financial Institutions, Housing & Consumer Protection.

1 AN ACT Relating to the dissolution of joint housing authorities;
2 and adding a new section to chapter 35.82 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 35.82 RCW
5 to read as follows:

6 (1) A joint housing authority may be dissolved pursuant to
7 substantially identical resolutions or ordinances of the legislative
8 authority of each of the counties or cities that previously authorized
9 that joint housing authority, together with a resolution of the joint
10 housing authority's board of commissioners. These resolutions or
11 ordinances may authorize the execution of an agreement among the
12 counties, cities, and the joint housing authority that provides for the
13 timing, distribution of assets, obligations and liabilities, and other
14 matters deemed necessary or appropriate by the contracting entities.

15 (2) Each resolution or ordinance dissolving a joint housing
16 authority shall provide for the following:

17 (a) Activation or reactivation of a housing authority or joint
18 housing authority by each of the cities and counties that previously
19 authorized the joint housing authority and any additional cities or

1 counties that are then to be added. This activation or reactivation
2 takes effect upon the dissolution of the joint housing authority or at
3 an earlier time provided in the resolutions or ordinances dissolving
4 the joint housing authority; and

5 (b) Distribution of all assets, obligations, and liabilities of the
6 joint housing authority to the housing authorities activated or
7 reactivated under (a) of this subsection. Distribution of assets,
8 obligations, and liabilities shall be based on:

9 (i) The population within the boundaries of each of the housing
10 authorities activated or reactivated under (a) of this subsection;

11 (ii) The number of housing units owned by the joint housing
12 authority within the boundaries of each of the housing authorities
13 activated or reactivated under (a) of this subsection;

14 (iii) The number of low-income residents within the boundaries of
15 each of the housing authorities activated or reactivated under (a) of
16 this subsection; or

17 (iv) Any other reasonable criteria to determine the distribution of
18 assets, obligations, and liabilities.

19 (3) Each activated or reactivated housing authority shall be
20 responsible for debt service on bonds or other obligations issued or
21 incurred to finance the acquisition, construction, or improvement of
22 the projects, properties, and other assets that have been distributed
23 to them under the dissolution. However, unless an outstanding bond
24 issue is secured solely by specific property and not by an authority's
25 general revenues, each housing authority activated or reactivated under
26 subsection (2)(a) of this section shall remain jointly and severally
27 liable for repayment of outstanding bonds and other obligations of the
28 joint housing authority, from general revenues of each of the activated
29 or reactivated housing authorities, and from any other revenues and
30 accounts that had been expressly pledged by the joint housing authority
31 to the payment of those bonds or other obligations. As used in this
32 subsection, "general revenues" means all revenues of a housing
33 authority from any source, but only to the extent that those revenues
34 are available to pay debt service on bonds or other obligations and are
35 not then or thereafter pledged or restricted by law, regulation,
36 contract, covenant, resolution, deed of trust, or otherwise, solely to

1 another particular purpose.

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