
HOUSE BILL 2640

State of Washington

62nd Legislature

2012 Regular Session

By Representatives Smith, Kenney, Warnick, Finn, Walsh, Orcutt, and Kelley

Read first time 01/19/12. Referred to Committee on Community & Economic Development & Housing.

1 AN ACT Relating to emphasizing cost-effectiveness in the housing
2 trust fund; amending RCW 43.185A.050; and reenacting and amending RCW
3 43.185.070.

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

5 **Sec. 1.** RCW 43.185.070 and 2005 c 518 s 1802 and 2005 c 219 s 2
6 are each reenacted and amended to read as follows:

7 (1) During each calendar year in which funds from the housing trust
8 fund or other legislative appropriations are available for use by the
9 department for the housing assistance program, the department shall
10 announce to all known interested parties, and through major media
11 throughout the state, a grant and loan application period of at least
12 ninety days' duration. This announcement shall be made as often as the
13 director deems appropriate for proper utilization of resources. The
14 department shall then promptly grant as many applications as will
15 utilize available funds less appropriate administrative costs of the
16 department. Administrative costs paid out of the housing trust fund
17 may not exceed five percent of annual revenues available for
18 distribution to housing trust fund projects.

1 (2) In awarding funds under this chapter, the department (~~shall~~)
2 must:

3 (a) Provide for a geographic distribution on a statewide basis; and

4 (b) Evaluate the total cost and per-unit cost of each project for
5 which an application is submitted, and give preference to projects that
6 demonstrate cost-effectiveness compared to similar housing projects
7 constructed or renovated within the same geographic area.

8 (~~(2)~~) (3) The department shall give first priority to
9 applications for projects and activities which utilize existing
10 privately owned housing stock including privately owned housing stock
11 purchased by nonprofit public development authorities and public
12 housing authorities as created in chapter 35.82 RCW. As used in this
13 subsection, privately owned housing stock includes housing that is
14 acquired by a federal agency through a default on the mortgage by the
15 private owner. Such projects and activities shall be evaluated under
16 subsection (~~(3)~~) (4) of this section. Second priority shall be given
17 to activities and projects which utilize existing publicly owned
18 housing stock. All projects and activities shall be evaluated by some
19 or all of the criteria under subsection (~~(3)~~) (4) of this section,
20 and similar projects and activities shall be evaluated under the same
21 criteria.

22 (~~(3)~~) (4) The department shall give preference for applications
23 based on some or all of the criteria under this subsection, and similar
24 projects and activities shall be evaluated under the same criteria:

25 (a) The degree of leveraging of other funds that will occur;

26 (b) The degree of commitment from programs to provide necessary
27 habilitation and support services for projects focusing on special
28 needs populations;

29 (c) Recipient contributions to total project costs, including
30 allied contributions from other sources such as professional, craft and
31 trade services, and lender interest rate subsidies;

32 (d) Local government project contributions in the form of
33 infrastructure improvements, and others;

34 (e) Projects that encourage ownership, management, and other
35 project-related responsibility opportunities;

36 (f) Projects that demonstrate a strong probability of serving the
37 original target group or income level for a period of at least twenty-
38 five years;

1 (g) The applicant has the demonstrated ability, stability and
2 resources to implement the project;

3 (h) Projects which demonstrate serving the greatest need;

4 (i) Projects that provide housing for persons and families with the
5 lowest incomes;

6 (j) Projects serving special needs populations which are under
7 statutory mandate to develop community housing;

8 (k) Project location and access to employment centers in the region
9 or area;

10 (l) Projects that provide employment and training opportunities for
11 disadvantaged youth under a youthbuild or youthbuild-type program as
12 defined in RCW 50.72.020; and

13 (m) Project location and access to available public transportation
14 services.

15 ~~((+4))~~ (5) The department shall only approve applications for
16 projects for ~~((mentally ill))~~ persons with mental illness that are
17 consistent with a regional support network six-year capital and
18 operating plan.

19 **Sec. 2.** RCW 43.185A.050 and 1991 c 356 s 14 are each amended to
20 read as follows:

21 (1) During each calendar year in which funds are available for use
22 by the department for the affordable housing program, the department
23 shall announce to all known interested parties, and through major media
24 throughout the state, a grant and loan application period of at least
25 ninety days' duration. This announcement shall be made as often as the
26 director deems appropriate for proper utilization of resources. The
27 department shall then promptly grant as many applications as will
28 utilize available funds less appropriate administrative costs of the
29 department, not to exceed five percent of moneys appropriated to the
30 affordable housing program.

31 (2) Total cost and per-unit cost of each project compared to
32 similar housing projects constructed or renovated within the same
33 geographic area must be used as a criterion in the evaluation process
34 for applications submitted for funding under RCW 43.185A.030(2)(a).
35 The department shall develop, with advice and input from the ~~((low-~~
36 ~~income [housing] assistance advisory committee))~~ affordable housing

1 advisory board established in RCW ((~~43.185.110~~)) 43.185B.020,
2 additional criteria to evaluate applications for assistance under this
3 chapter.

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