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SENATE BILL 6422

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State of Washington

64th Legislature

2016 Regular Session

By Senators Miloscia and Chase

Read first time 01/20/16. Referred to Committee on Human Services,  
Mental Health & Housing.

1 AN ACT Relating to providing affordable housing for all; amending  
2 RCW 43.185B.040, 36.22.178, and 43.185A.100; reenacting and amending  
3 RCW 43.185.070; adding new sections to chapter 43.185C RCW; adding a  
4 new chapter to Title 43 RCW; creating a new section; and recodifying  
5 RCW 36.22.179, 36.22.1791, 43.20A.790, 36.22.178, 43.185A.100,  
6 43.185B.020, and 43.185B.040.

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

8 NEW SECTION. **Sec. 1.** (1) The legislature finds that there is a  
9 large, unmet need for affordable housing in the state of Washington.  
10 The legislature declares that a decent, appropriate, and affordable  
11 home in a healthy, safe environment for every household should be a  
12 state goal. Furthermore, this goal includes increasing the percentage  
13 of low-income households who are able to obtain and retain housing  
14 without government subsidies or other public support.

15 (2) The legislature finds that there are many root causes of the  
16 affordable housing shortage and declares that it is critical that  
17 such causes be analyzed, effective solutions be developed,  
18 implemented, monitored, and evaluated, and that these causal factors  
19 be eliminated. The legislature also finds that there is a taxpayer  
20 and societal cost associated with a lack of jobs that pay self-  
21 sufficiency standard wages and a shortage of affordable housing, and

1 that the state must identify and quantify that cost. The legislature  
2 finds that family structure and stability impacts a family's ability  
3 to earn a living wage and the ability to secure affordable housing;  
4 therefore, it is in the state's interest to encourage such family  
5 structure and stability.

6 (3) The legislature finds that the support and commitment of all  
7 sectors of the statewide community is critical to accomplishing the  
8 state's affordable housing for all goal. The legislature finds that  
9 the provision of housing and housing-related services should be  
10 administered at the local level. However, the state should play a  
11 primary role in: Providing financial resources to achieve the goal at  
12 all levels of government; researching, evaluating, benchmarking, and  
13 implementing best practices; continually updating and evaluating  
14 statewide housing data; developing a state plan that integrates the  
15 strategies, goals, objectives, and performance measures of all other  
16 state housing plans and programs; coordinating and supporting county  
17 government plans and activities; and directing quality management  
18 practices by monitoring both state and county government performance  
19 towards achieving interim and ultimate goals.

20 (4) The legislature declares that the systematic and  
21 comprehensive performance measurement and evaluation of progress  
22 toward interim goals and the immediate state affordable housing goal  
23 of a decent, appropriate, and affordable home in a healthy, safe  
24 environment for every household in the state by 2026 is a necessary  
25 component of the statewide effort to end the affordable housing  
26 crisis.

27 NEW SECTION. **Sec. 2.** This chapter may be known and cited as the  
28 Washington affordable housing for all act.

29 NEW SECTION. **Sec. 3.** There is created within the department the  
30 state affordable housing for all program. The goal of the program is  
31 a decent, appropriate, and affordable home in a healthy, safe  
32 environment for every very low-income household in the state by 2026.  
33 A priority must be placed upon achieving this goal for extremely low-  
34 income households. This goal includes increasing the percentage of  
35 households who access housing that is affordable for their income or  
36 wage level without government assistance by increasing the number of  
37 previously very low-income households who achieve self-sufficiency  
38 and economic independence. The goal also includes implementing

1 strategies to keep the rising cost of housing below the relative rise  
2 in wages. The department shall develop and administer the affordable  
3 housing for all program. Each county shall participate in the  
4 affordable housing for all program except as provided in section 8 of  
5 this act; however, in the development and implementation of the  
6 program scope and requirements at the county level, the department  
7 shall consider: The funding level to counties, number of county staff  
8 available to implement the program, and competency of each county to  
9 meet the goals of the program; and establish program guidelines,  
10 performance measures, and reporting requirements appropriate to the  
11 existing capacity of the participating counties.

12 NEW SECTION. **Sec. 4.** Unless the context clearly requires  
13 otherwise, the definitions in this section apply throughout this  
14 chapter.

15 (1) "Affordable housing" means housing that has a sales price or  
16 rental amount that is within the means of a household that may occupy  
17 low, very low, and extremely low-income housing. The department shall  
18 adopt policies for residential rental and homeownership housing,  
19 occupied by extremely low, very low, and low-income households, that  
20 specify the percentage of household income that may be spent on  
21 monthly housing costs, including utilities other than telephone, to  
22 qualify as affordable housing.

23 (2) "Affordable housing for all program" means the program  
24 authorized under this chapter, as administered by the department at  
25 the state level and by each county at the local level.

26 (3) "Authority" or "housing authority" means any of the public  
27 corporations created in RCW 35.82.030.

28 (4) "County" means a county government in the state of Washington  
29 or, except under RCW 36.22.178 (as recodified by this act), a city  
30 government or collaborative of city governments within that county if  
31 (a) the county government declines to participate in the affordable  
32 housing program and (b) as described under section 8 of this act, a  
33 city or collaborative of city governments elects to participate in  
34 the program.

35 (5) "County affordable housing for all plan" or "county plan"  
36 means the plan developed by each county with the goal of ensuring  
37 that every very low-income household in the county has a decent,  
38 appropriate, and affordable home in a healthy, safe environment by  
39 2026.

1 (6) "County affordable housing task force" means a county  
2 committee, as described in section 6 of this act, created to prepare  
3 and recommend to its county legislative authority a county affordable  
4 housing for all plan, and also to recommend expenditures of the funds  
5 from the affordable housing for all program surcharge in RCW  
6 36.22.178 (as recodified by this act) and all other sources directed  
7 to the county's affordable housing for all program.

8 (7) "Department" means the department of commerce.

9 (8) "Director" means the director of the department of commerce.

10 (9) "Extremely low-income household" means a single person,  
11 family, or unrelated persons living together whose adjusted income is  
12 less than thirty percent of the median family income, adjusted for  
13 household size for the county where the project is located.

14 (10) "First-time home buyer" means an individual or his or her  
15 spouse who have not owned a home during the three-year period prior  
16 to purchase of a home.

17 (11) "Good family-wage job" means a job that pays at or above one  
18 of the two self-sufficiency income standards established under  
19 section 13 of this act which for an individual means enough income to  
20 support one adult individual, and for a family means enough income to  
21 support two adult individuals, one preschool-aged child, and one  
22 school-aged child.

23 (12) "Local government" means a county or city government in the  
24 state of Washington or, except under RCW 36.22.178 (as recodified by  
25 this act), a city government or collaborative of city governments  
26 within that county if (a) the county government declines to  
27 participate in the affordable housing program and (b) as described  
28 under section 8 of this act, a city or collaborative of city  
29 governments elects to participate in the program.

30 (13) "Low-income household," for the purposes of the affordable  
31 housing for all program, means a single person, family, or unrelated  
32 persons living together whose adjusted income is less than eighty  
33 percent of the median household income, adjusted for household size  
34 for the county where the project is located.

35 (14) "Nonprofit organization" means any public or private  
36 nonprofit organization that: (a) Is organized under federal, state,  
37 or local laws; (b) has no part of its net earnings inuring to the  
38 benefit of any member, founder, contributor, or individual; and (c)  
39 has among its purposes, significant activities related to the  
40 provision of decent housing that is affordable to extremely low-

1 income, very low-income, low-income, or moderate-income households  
2 and special needs populations.

3 (15) "Performance evaluation" means the process of evaluating the  
4 performance by established objective, measurable criteria according  
5 to the achievement of outlined goals, measures, targets, standards,  
6 or other outcomes using a ranked scorecard from highest to lowest  
7 performance which employs a scale of one to one hundred, one hundred  
8 being the optimal score.

9 (16) "Performance measurement" means the process of comparing  
10 specific measures of success with ultimate and interim goals.

11 (17) "Quality management program" means a nationally recognized  
12 program using criteria similar or equivalent to the Baldrige  
13 criteria. Beginning in 2018, all cities, towns, and counties  
14 receiving over five hundred thousand dollars a year during the  
15 previous calendar year from (a) state housing-related funding  
16 sources, including the housing trust fund, (b) the affordable housing  
17 for all program surcharge in RCW 36.22.178 (as recodified by this  
18 act), (c) the home security fund surcharges in RCW 36.22.179 and  
19 36.22.1791 (as recodified by this act), and (d) any other surcharge  
20 charged under chapter 36.22 or 43.185C RCW to fund homelessness or  
21 other housing programs must apply to the full examination Washington  
22 state quality award program once every three years beginning by  
23 January 1, 2019.

24 (18) "Regulatory barriers to affordable housing" and "regulatory  
25 barriers" mean any public policies, including those embodied in  
26 statutes, ordinances, regulations, or administrative procedures or  
27 processes, required to be identified by the state, cities, towns, or  
28 counties in connection with strategies under section 105(b)(4) of the  
29 Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec.  
30 12701 et seq.).

31 (19) "State affordable housing for all plan" or "state plan"  
32 means the plan developed by the department in collaboration with the  
33 affordable housing advisory board with the goal of ensuring that  
34 every very low-income household in Washington has a decent,  
35 appropriate, and affordable home in a healthy, safe environment by  
36 2026.

37 (20) "Very low-income household" means a single person, family,  
38 or unrelated persons living together whose adjusted income is less  
39 than fifty percent of the median family income, adjusted for  
40 household size for the county where the project is located.

1       **Sec. 5.** RCW 43.185B.040 and 1993 c 478 s 12 are each amended to  
2 read as follows:

3       (1) The department shall, in consultation with the affordable  
4 housing advisory board created in RCW 43.185B.020 (as recodified by  
5 this act), prepare and ~~((from time to time amend a five-year))~~  
6 annually update a state affordable housing ((advisory)) for all plan.  
7 The state plan must incorporate the strategies, objectives, goals,  
8 and performance measures of all other housing-related state plans,  
9 including the state homeless housing strategic plan required under  
10 RCW 43.185C.040 and all state housing programs. The state affordable  
11 housing for all plan may be combined with the state homeless housing  
12 strategic plan required under RCW 43.185C.040 or any other existing  
13 state housing plan as long as the requirements of all of the plans to  
14 be merged are met.

15       (2) The purpose of the state affordable housing for all plan is  
16 to:

17       (a) Document the need for affordable housing in the state and the  
18 extent to which that need is being met through public and private  
19 sector programs((, -to));

20       (b) Outline the development of sound strategies and programs to  
21 promote affordable housing;

22       (c) Establish, evaluate, and report upon performance measures,  
23 goals, and timelines that are determined by the department for the  
24 affordable housing for all program as well as for all federal, state,  
25 and local housing programs operated or coordinated by the department,  
26 including federal block grant programs, the Washington housing trust  
27 fund, and all local surcharge funds collected with the purpose of  
28 addressing homelessness and affordable housing; and

29       (d) Facilitate state and county government planning to meet the  
30 state affordable housing ((needs of the state, and to enable the  
31 development of sound strategies and programs for affordable housing))  
32 for all goal.

33       ~~((The information in the five-year housing advisory plan must~~  
34 ~~include:~~

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

36       ~~(b) An assessment of the housing needs for all economic segments~~  
37 ~~of the state and special needs populations;~~

38       ~~(c) An inventory of the supply and geographic distribution of~~  
39 ~~affordable housing units made available through public and private~~  
40 ~~sector programs;~~

1 ~~(d) A status report on the degree of progress made by the public~~  
2 ~~and private sector toward meeting the housing needs of the state;~~

3 ~~(e) An identification of state and local regulatory barriers to~~  
4 ~~affordable housing and proposed regulatory and administrative~~  
5 ~~techniques designed to remove barriers to the development and~~  
6 ~~placement of affordable housing; and~~

7 ~~(f) Specific recommendations, policies, or proposals for meeting~~  
8 ~~the affordable housing needs of the state.~~

9 ~~(2)) (3)(a) The department, in consultation with the affordable~~  
10 ~~housing advisory board, must develop recommendations for affordable~~  
11 ~~housing for all program performance measures, short-term and long-~~  
12 ~~term goals, and timelines, as well as information to be collected,~~  
13 ~~analyzed, and reported upon in the state and local affordable housing~~  
14 ~~for all plans. The department must present its recommendations to the~~  
15 ~~appropriate committees of the legislature by December 31, 2016.~~

16 ~~(b) Performance measures and other required plan components must~~  
17 ~~be reviewed annually by the department after soliciting feedback from~~  
18 ~~the affordable housing advisory board, appropriate committees of the~~  
19 ~~legislature, and all county affordable housing for all task forces.~~

20 ~~(c) The department may determine a timeline to implement and~~  
21 ~~measure each performance measure for the state and county affordable~~  
22 ~~housing for all programs, except that the state and all counties~~  
23 ~~participating in the affordable housing for all program must~~  
24 ~~implement and respond to all performance measures by January 1, 2019,~~  
25 ~~unless the department determines that a performance measure is not~~  
26 ~~applicable to a specific county based on parameters and thresholds~~  
27 ~~established by the department.~~

28 ~~(4) The ~~((five-year))~~ state affordable housing ~~((advisory))~~ for~~  
29 ~~all plan required under ~~((subsection (1) of))~~ this section must be~~  
30 ~~submitted to the appropriate committees of the legislature on or~~  
31 ~~before ~~((February 1, 1994))~~ December 31, 2017, and subsequent updated~~  
32 ~~plans must be submitted ~~((every five years))~~ by December 31st each~~  
33 ~~year thereafter.~~

34 ~~((b) Each February 1st, beginning February 1, 1995, the~~  
35 ~~department shall submit an annual progress report, to the~~  
36 ~~legislature, detailing the extent to which the state's affordable~~  
37 ~~housing needs were met during the preceding year and recommendations~~  
38 ~~for meeting those needs))~~

39 ~~(5) To guide counties in preparation of county affordable housing~~  
40 ~~for all plans required under section 7 of this act, the department~~

1 must issue, by December 31, 2017, guidelines for preparing county  
2 plans consistent with this chapter. County plans must include, at a  
3 minimum, the same information reporting and analysis on a local level  
4 and the same performance measures as the state plan.

5 (6) Each year, beginning in 2018, the department must:

6 (a) Summarize key information from county plans, including a  
7 summary of local city and county housing program activities and a  
8 summary of legislative recommendations;

9 (b) Conduct annual performance evaluations of county plans; and

10 (c) Conduct annual performance evaluations of all counties  
11 according to their performance in achieving affordable housing goals  
12 stated in their plans.

13 (7) The department must include a summary of county affordable  
14 housing for all plans and the results of performance evaluations in  
15 the state affordable housing for all plan beginning in 2010.

16 (8) Based on changes to the general population and in the housing  
17 market, the department may revise the performance measures and goals  
18 of the state affordable housing for all plan and set goals for years  
19 following December 31, 2026.

20 NEW SECTION. Sec. 6. Each county must convene a county  
21 affordable housing task force. The task force must be a committee,  
22 made up of volunteers, created to prepare and recommend to the county  
23 legislative authority a county affordable housing for all plan and  
24 also to recommend appropriate expenditures of the affordable housing  
25 for all program funds provided for in RCW 36.22.178 (as recodified by  
26 this act) and any other sources directed to the county program. The  
27 county affordable housing task force must include a representative of  
28 the county, a representative from the city with the highest  
29 population in the county, a representative from all other cities in  
30 the county with a population of more than fifty thousand, a member  
31 representing beneficiaries of affordable housing programs, other  
32 members as may be required to maintain eligibility for federal  
33 funding related to housing programs and services, and a  
34 representative from both a private nonprofit organization and a  
35 private for-profit organization with experience in very low-income  
36 housing. The task force may be the same as the homeless housing task  
37 force created in RCW 43.185C.160 or the same as another existing task  
38 force or other formal committee that meets the requirements of this  
39 section.

1        NEW SECTION.    **Sec. 7.**    (1) Each county must direct its affordable  
2 housing task force to prepare and recommend to its county legislative  
3 authority a county affordable housing for all plan for its  
4 jurisdictional area. Each county must adopt a county plan by June 30,  
5 2018, and update the plan annually by June 30th thereafter. All plans  
6 must be forwarded to the department by the date of adoption. County  
7 affordable housing for all plans may be combined with the local  
8 homeless housing plans required under RCW 43.185C.040, county  
9 comprehensive plans required under RCW 36.70A.040, or any other  
10 existing plan addressing housing within a county as long as the  
11 requirements of all of the plans to be merged are met. For counties  
12 required or choosing to plan under RCW 36.70A.040, county affordable  
13 housing for all plans must be consistent with the housing elements of  
14 comprehensive plans described in RCW 36.70A.070(2). County plans must  
15 also be consistent with any existing local homeless housing plan  
16 required in RCW 43.185C.050.

17        (2) County affordable housing for all plans must be primarily  
18 focused on (a) ensuring that every very low-income household in the  
19 county jurisdictional area has a decent, appropriate, and affordable  
20 home in a healthy, safe environment by 2026 with a priority placed on  
21 achieving this goal for extremely low-income households and (b)  
22 increasing the percentage of very low-income households that access  
23 affordable housing without government assistance. County affordable  
24 housing for all plans must include:

25        (a) At a minimum, the same information, analysis, and performance  
26 measures as the state affordable housing for all plan, including  
27 information and performance measurement data, where available, on all  
28 city and county housing programs, including local housing-related  
29 levy initiatives, housing-related tax exemption programs, and  
30 federally funded programs operated or coordinated by local  
31 governments;

32        (b) Information on the uses of the affordable housing for all  
33 surcharge as required in RCW 36.22.178(4) (as recodified by this  
34 act);

35        (c) Timelines for the accomplishment of interim goals and  
36 targets, and for the acquisition of projected financing that is  
37 appropriate for outlined goals and targets;

38        (d) An identification of challenges to reaching the affordable  
39 housing for all goal;

1 (e) A total estimated amount of funds needed to reach the local  
2 affordable housing for all goal and an identification of potential  
3 funding sources; and

4 (f) State legislative recommendations to enable the county to  
5 achieve its affordable housing for all goals. Legislative  
6 recommendations must be specific and, if necessary, include an  
7 estimated amount of funding required and suggestions of an  
8 appropriate funding source.

9 NEW SECTION. **Sec. 8.** (1) Any county may decline to participate  
10 in the affordable housing for all program authorized in this chapter  
11 by forwarding to the department a resolution adopted by the county  
12 legislative authority stating the intention not to participate. A  
13 copy of the resolution must also be transmitted to the county auditor  
14 and treasurer. Counties that decline to participate are not required  
15 to establish an affordable housing task force or create a county  
16 affordable housing for all plan. Counties declining to participate in  
17 the affordable housing for all program must continue to collect and  
18 utilize the affordable housing for all surcharge for the purposes  
19 described in RCW 36.22.178 (as recodified by this act); however, such  
20 counties may not be allocated any additional affordable housing for  
21 all program funding. Counties may opt back into the affordable  
22 housing for all program authorized in this chapter at a later date  
23 through a process and timeline to be determined by the department.

24 (2) If a county declines to participate in the affordable housing  
25 for all program authorized in this chapter, a city or formally  
26 organized collaborative of cities within that county may forward a  
27 resolution to the department stating its intention and willingness to  
28 operate an affordable housing for all program within its  
29 jurisdictional limits. The department must establish procedures to  
30 choose amongst cities or collaboratives of cities if more than one  
31 city or collaborative of cities express an interest in participating  
32 in the program. Participating cities or collaboratives of cities must  
33 fulfill the same requirements as counties participating in the  
34 affordable housing for all program.

35 NEW SECTION. **Sec. 9.** A county may subcontract with any other  
36 county, city, town, housing authority, community action agency, or  
37 other nonprofit organization for the execution of programs  
38 contributing to the affordable housing for all goal. All subcontracts

1 must be: Consistent with the county affordable housing for all plan  
2 adopted by the legislative authority of the county; time limited; and  
3 filed with the department, and must have specific performance terms  
4 as specified by the county. County governments must strongly  
5 encourage all subcontractors under the affordable housing for all  
6 program to apply to the full examination Washington state quality  
7 award program. This authority to subcontract with other entities does  
8 not affect participating counties' ultimate responsibility for  
9 meeting the requirements of the affordable housing for all program.

10 **Sec. 10.** RCW 36.22.178 and 2011 c 110 s 1 are each amended to  
11 read as follows:

12 The surcharge provided for in this section shall be named the  
13 affordable housing for all surcharge.

14 (1) Except as provided in subsection (3) of this section, a  
15 surcharge of ten dollars per instrument shall be charged by the  
16 county auditor for each document recorded, which will be in addition  
17 to any other charge authorized by law. The county may retain up to  
18 five percent of these funds collected solely for the collection,  
19 administration, and local distribution of these funds. Of the  
20 remaining funds, forty percent of the revenue generated through this  
21 surcharge will be transmitted monthly to the state treasurer who will  
22 deposit the funds into the affordable housing for all account created  
23 in RCW 43.185C.190. The department of commerce must use these funds  
24 to provide housing and shelter for extremely low-income households,  
25 including but not limited to housing for victims of human trafficking  
26 and their families and grants for building operation and maintenance  
27 costs of housing projects or units within housing projects that are  
28 affordable to extremely low-income households with incomes at or  
29 below thirty percent of the area median income, and that require a  
30 supplement to rent income to cover ongoing operating expenses.

31 (2) All of the remaining funds generated by this surcharge will  
32 be retained by the county and be deposited into a fund that must be  
33 used by the county and its cities and towns for eligible housing  
34 activities as described in this subsection that serve very low-income  
35 households with incomes at or below fifty percent of the area median  
36 income. The portion of the surcharge retained by a county shall be  
37 allocated to eligible housing activities that serve extremely low and  
38 very low-income households in the county and the cities within a  
39 county according to an interlocal agreement between the county and

1 the cities within the county consistent with countywide and local  
2 housing needs and policies. A priority must be given to eligible  
3 housing activities that serve extremely low-income households with  
4 incomes at or below thirty percent of the area median income.  
5 Eligible housing activities to be funded by these county funds are  
6 limited to:

7 (a) Acquisition, construction, or rehabilitation of housing  
8 projects or units within housing projects that are affordable to very  
9 low-income households with incomes at or below fifty percent of the  
10 area median income, including units for homeownership, rental units,  
11 seasonal and permanent farmworker housing units, units reserved for  
12 victims of human trafficking and their families, and single room  
13 occupancy units;

14 (b) Supporting building operation and maintenance costs of  
15 housing projects or units within housing projects eligible to receive  
16 housing trust funds, that are affordable to very low-income  
17 households with incomes at or below fifty percent of the area median  
18 income, and that require a supplement to rent income to cover ongoing  
19 operating expenses;

20 (c) Rental assistance vouchers for housing units that are  
21 affordable to very low-income households with incomes at or below  
22 fifty percent of the area median income, including rental housing  
23 vouchers for victims of human trafficking and their families, to be  
24 administered by a local public housing authority or other local  
25 organization that has an existing rental assistance voucher program,  
26 consistent with or similar to the United States department of housing  
27 and urban development's section 8 rental assistance voucher program  
28 standards; and

29 (d) Operating costs for emergency shelters and licensed overnight  
30 youth shelters.

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

33 (4) All counties must report at least annually upon receipts and  
34 expenditures of the affordable housing for all surcharge funds  
35 created in this section to the department. The department may require  
36 more frequent reports. The report must include: The amount of funding  
37 generated by the surcharge; the total amount of funding distributed  
38 to date; the amount of funding allocated to each eligible housing  
39 activity; a description of each eligible housing activity funded,  
40 including information on the income or wage level and numbers of

1 extremely low, very low, and low-income households the eligible  
2 housing activity is intended to serve; and the outcome or anticipated  
3 outcome of each eligible housing activity.

4 NEW SECTION. **Sec. 11.** This chapter does not require either the  
5 department or any local government to expend any funds to accomplish  
6 the goals of this chapter other than the revenues authorized in this  
7 act and other revenue that may be appropriated by the legislature for  
8 these purposes. However, neither the department nor any local  
9 government may use any funds authorized in this act to supplant or  
10 reduce any existing expenditures of public money to address the  
11 affordable housing shortage.

12 **Sec. 12.** RCW 43.185A.100 and 2006 c 349 s 11 are each amended to  
13 read as follows:

14 The department(~~(τ)~~) must collaborate with the housing finance  
15 commission, the affordable housing advisory board, and all local  
16 governments, housing authorities, and other nonprofits receiving  
17 state housing funds, affordable housing for all funds, home security  
18 funds, or financing through the housing finance commission (~~(shall,~~  
19 ~~by December 31, 2006, and annually thereafter, review current housing~~  
20 ~~reporting requirements related to housing programs and services and~~  
21 ~~give)~~) to include in the state affordable housing for all plan, by  
22 December 31, 2017, recommendations, where possible:

- 23 (1) To streamline and simplify all housing planning, application,  
24 and reporting requirements (~~(to the department of community, trade,~~  
25 ~~and economic development, which will compile and present the~~  
26 ~~recommendations annually to the legislature. The entities listed in~~  
27 ~~this section shall also give recommendations for additional)~~); and  
28 (2) For legislative actions that could promote the affordable  
29 housing for all goal and the state goal to end homelessness.

30 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.185C  
31 RCW to read as follows:

32 The department must contract with the employment security  
33 department to annually establish two self-sufficiency income  
34 standards based upon the cost of living, including housing costs,  
35 which include mortgage or rent payments and utilities other than  
36 telephone, for each county in the state. The self-sufficiency income  
37 standards must be based upon the costs needed to support: (1) One

1 adult individual; and (2) two adult individuals and one preschool-  
2 aged child and one school-aged child. These income standards must be  
3 translated into an equivalent hourly wage rate assuming one full-  
4 year, full-time earner for the self-sufficiency income standards for  
5 each county. The self-sufficiency income standards must be presented  
6 to the legislature by December 31, 2017. The employment security  
7 department must spend no more than one hundred ten thousand dollars  
8 in creating the initial self-sufficiency income standards and no more  
9 than fifty-five thousand dollars annually to update the standards.  
10 The employment security department must deliver a report to the  
11 department and the appropriate committees of the legislature that  
12 details the number and percentage of individuals statewide and in  
13 each county who do not have a good family wage job and, as a result,  
14 earn less than the self-sufficiency income standards, as well as the  
15 number and percentage of individuals statewide and in each county who  
16 have a good family wage job and, as a result, earn an amount  
17 equivalent to or more than the self-sufficiency income standards.

18 **Sec. 14.** RCW 43.185.070 and 2015 c 155 s 2 are each amended to  
19 read as follows:

20 (1) During each calendar year in which funds from the housing  
21 trust fund or other legislative appropriations are available for use  
22 by the department for the housing assistance program, the department  
23 must announce to all known interested parties, and through major  
24 media throughout the state, a grant and loan application period of at  
25 least ninety days' duration. This announcement must be made as often  
26 as the director deems appropriate for proper utilization of  
27 resources. The department must then promptly grant as many  
28 applications as will utilize available funds less appropriate  
29 administrative costs of the department as provided in RCW 43.185.050.

30 (2) In awarding funds under this chapter, the department must:

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

33 (b) Until June 30, 2013, consider the total cost and per-unit  
34 cost of each project for which an application is submitted for  
35 funding under RCW 43.185.050(2) (a) and (j), as compared to similar  
36 housing projects constructed or renovated within the same geographic  
37 area.

38 (3) The department, with advice and input from the affordable  
39 housing advisory board established in RCW 43.185B.020, or a

1 subcommittee of the affordable housing advisory board, must report  
2 recommendations for awarding funds in a cost-effective manner. The  
3 report must include an implementation plan, timeline, and any other  
4 items the department identifies as important to consider to the  
5 legislature by December 1, 2012.

6 (4) The department must give first priority to applications for  
7 projects and activities which utilize existing privately owned  
8 housing stock including privately owned housing stock purchased by  
9 nonprofit public development authorities and public housing  
10 authorities as created in chapter 35.82 RCW. As used in this  
11 subsection, privately owned housing stock includes housing that is  
12 acquired by a federal agency through a default on the mortgage by the  
13 private owner. Such projects and activities must be evaluated under  
14 subsection (5) of this section. Second priority must be given to  
15 activities and projects which utilize existing publicly owned housing  
16 stock. All projects and activities must be evaluated by some or all  
17 of the criteria under subsection (5) of this section, and similar  
18 projects and activities shall be evaluated under the same criteria.

19 (5) The department must give preference for applications based on  
20 some or all of the criteria under this subsection, and similar  
21 projects and activities must be evaluated under the same criteria:

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

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

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

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

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

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

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

38 (h) The applicant has committed to quality improvement and  
39 submitted an application to the Washington state quality award  
40 program within the previous three years;

1        (i) Projects which demonstrate serving the greatest need;  
2        ~~((+i))~~ (j) Projects that provide housing for persons and  
3 families with the lowest incomes;  
4        ~~((+j))~~ (k) Projects serving special needs populations which are  
5 under statutory mandate to develop community housing;  
6        ~~((+k))~~ (l) Project location and access to employment centers in  
7 the region or area;  
8        ~~((+l))~~ (m) Projects that provide employment and training  
9 opportunities for disadvantaged youth under a youthbuild or  
10 youthbuild-type program as defined in RCW 50.72.020;  
11        ~~((+m))~~ (n) Project location and access to available public  
12 transportation services; and  
13        ~~((+n))~~ (o) Projects involving collaborative partnerships between  
14 local school districts and either public housing authorities or  
15 nonprofit housing providers, that help children of low-income  
16 families succeed in school. To receive this preference, the local  
17 school district must provide an opportunity for community members to  
18 offer input on the proposed project at the first scheduled school  
19 board meeting following submission of the grant application to the  
20 department.  
21        (6) The department may only approve applications for projects for  
22 persons with mental illness that are consistent with a behavioral  
23 health organization six-year capital and operating plan.

24        NEW SECTION.    **Sec. 15.**    RCW 36.22.179, 36.22.1791, and 43.20A.790  
25 are each recodified as sections in chapter 43.185C RCW.

26        NEW SECTION.    **Sec. 16.**    RCW 36.22.178, 43.185A.100, 43.185B.020,  
27 and 43.185B.040 are each recodified as sections in chapter 43.--- RCW  
28 (the new chapter created in section 17 of this act).

29        NEW SECTION.    **Sec. 17.**    Sections 1 through 4, 6 through 9, and 11  
30 of this act constitute a new chapter in Title 43 RCW.

31        NEW SECTION.    **Sec. 18.**    If specific funding for the purposes of  
32 this act, referencing this act by bill or chapter number, is not  
33 provided by June 30, 2016, in the omnibus appropriations act, this  
34 act is null and void.

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