



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 11, 2002

Motion 11444

Proposed No. 2002-0182.3

Sponsors Phillips, Hague, Irons and Sullivan

1 A MOTION relating to affordable housing; directing the
2 King County records, election and licensing services
3 division to collect funds and the King County executive to
4 develop a mechanism for the implementation of an
5 affordable housing program serving very low income
6 persons in a manner consistent with 2002 Wash. Laws 294
7 (Substitute House Bill 2060) and adopted housing policies.

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WHEREAS, county auditors and recorders are required by statute to record deeds and other instruments that are to be filed and recorded with the county. Recording fees are fees charged for recording instruments by county auditors for their official services, and are set forth in statute in RCW 36.08.010. The fee for recording instruments is five dollars for the first page and one dollar for each additional page, and

WHEREAS, the Office of Community Development within the state Department of Community, Trade, and Economic Development administers the state

17 housing programs. Among these programs are the housing trust fund, the HOME
18 program and the housing improvements and preservation unit, and

19 WHEREAS, the housing trust fund is created under RCW 43.185.030 and
20 includes revenue established under statute, legislative appropriations, private
21 contributions, repayment of loans and all other sources. The fund was established to
22 assist low and very low-income citizens in meeting their basic housing needs, and

23 WHEREAS, the provision in RCW 82.46.010 that allowed a portion of the
24 real estate excise tax to be used for housing purposes expired December 31, 1995. The
25 last remaining dedicated resource for low income housing in King County is the King
26 County housing opportunity fund, funding for which is also at risk due to declining
27 general fund revenues, and

28 WHEREAS, in March 2002, Substitute House Bill 2060 was passed by the
29 state legislature and subsequently signed into law by the governor as 2002 Wash. Laws
30 294. 2002 Wash. Laws 294 does the following:

31 Provides that a surcharge of ten dollars per instrument shall be charged by the
32 county auditor or recorder for each document recorded (excluding assignments or
33 substitutions of previously recorded deeds of trust), which will be in addition to any other
34 charge authorized by law;

35 Authorizes the auditor to retain up to five percent of these funds collected to
36 administer the collection of these funds. Of the remaining funds, forty percent of the
37 revenue generated through this surcharge will be transmitted monthly to the state
38 treasurer who will deposit the funds into the Washington housing trust account;

39 Directs the office of community development of the department of
40 community, trade, and economic development to develop guidelines for the use of these
41 funds to support building operation and maintenance costs of housing projects or units
42 within housing projects that are affordable to extremely low-income persons with
43 incomes at or below thirty percent of the area median income, and that require a
44 supplement to rent income to cover ongoing operating expenses;

45 Provides that sixty percent of the revenue generated by this surcharge will be
46 retained by the county and be deposited into a fund that must be used by the county and
47 its cities and towns for housing projects or units within housing projects that are
48 affordable to very low-income persons with incomes at or below fifty percent of the area
49 median income;

50 Provides that the portion of the surcharge retained by a county shall be
51 allocated to very low-income housing projects or units within such housing projects in
52 the county and the cities within a county according to an interlocal agreement between
53 the county and the cities within the county, consistent with countywide and local housing
54 needs and policies;

55 Declares that the funds generated with this surcharge shall not be used for
56 construction of new housing if at any time the vacancy rate for available low-income
57 housing within the county rises above ten percent; and

58 Directs the Office of Community Development of the state Department of
59 Community, Trade, and Economic Development to conduct a statewide housing market
60 analysis by region. The purpose of the analysis is to identify areas of greatest need for
61 the appropriate investment of state affordable housing funds, using vacancy data and

62 other appropriate measures of need for low-income housing. The analysis shall include
63 the number and types of projects that counties have developed using the funds collected
64 under this act. The analysis shall be completed by September 2003, and updated every
65 two years thereafter;

66 NOW, THEREFORE, BE IT MOVED by the Council of King County:

67 The King County records, elections and licensing services division shall
68 collect a surcharge of ten dollars for the recording of every instrument (excluding
69 assignments or substitutions of previously recorded deeds of trust) in King County, upon
70 the June 13, 2002 effective date of Substitute House Bill 2060;

71 The King County executive shall develop and transmit for council approval,
72 an ordinance to authorize the records, elections and licensing services division, or other
73 executive agency deemed appropriate, to retain up to five percent of the revenues
74 collected under this surcharge, in order to cover administrative expenses for the
75 collection of the surcharge. This ordinance shall be transmitted to the council prior to
76 June 13, 2002.

77 After deductions for administrative costs, the King County records, elections
78 and licensing services division shall transmit, monthly, forty percent of the remaining
79 revenue to the state treasurer for deposit into the Washington housing trust account.

80 The King County executive shall develop and transmit for council approval,
81 an ordinance establishing a fund into which the remaining sixty percent of the surcharge
82 revenues shall be deposited. The fund shall be allocated to very low-income housing
83 projects or units within such housing projects in King County and the cities within the
84 county.

85 The King County executive shall develop and transmit for council approval,
86 an ordinance authorizing interlocal agreements between King County and the cities
87 within the county, outlining an allocation of funding consistent with countywide and
88 local housing needs and policies.

89 The King County executive shall develop and transmit for council approval an
90 ordinance containing implementing guidelines for the use and allocation of the funds in a
91 manner consistent with the intent of 2002 Wash. Laws 294.

92 Except where specifically required by the preceding provisions to be

Motion 11444

93 transmitted prior to June 13, 2002, the ordinances outlined above shall be transmitted to
94 the council no later than December 31, 2002.

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Motion 11444 was introduced on 4/22/2002 and passed as amended by the Metropolitan King County Council on 6/10/2002, by the following vote:

Yes: 12 - Ms. Sullivan, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr. Phillips, Mr. McKenna, Mr. Constantine, Mr. Pullen, Mr. Gossett, Ms. Hague, Mr. Irons and Ms. Patterson

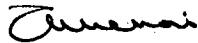
No: 0

Excused: 1 - Mr. Pelz

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Cynthia Sullivan, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments None