



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

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

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

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

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

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

Directs the office of community development of the department of community, trade, and economic

development to develop guidelines for the use of these funds to support building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income persons with incomes at or below thirty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;

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

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

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

Directs the Office of Community Development of the state Department of Community, Trade, and Economic Development to conduct a statewide housing market analysis by region. The purpose of the analysis is to identify areas of greatest need for the appropriate investment of state affordable housing funds, using vacancy data and other appropriate measures of need for low-income housing. The analysis shall include the number and types of projects that counties have developed using the funds collected under this act. The analysis shall be completed by September 2003, and updated every two years thereafter;

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

The King County records, elections and licensing services division shall collect a surcharge of ten dollars for the recording of every instrument (excluding assignments or substitutions of previously recorded

deeds of trust) in King County, upon the June 13, 2002 effective date of Substitute House Bill 2060;

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

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

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

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

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

Except where specifically required by the preceding provisions to be transmitted prior to June 13, 2002, the ordinances outlined above shall be transmitted to the council no later than December 31, 2002.