

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1075**

69th Legislature  
2025 Regular Session

Passed by the House January 30, 2025  
Yeas 96 Nays 0

---

**Speaker of the House of  
Representatives**

Passed by the Senate April 2, 2025  
Yeas 47 Nays 2

---

**President of the Senate**

Approved

---

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1075** as passed by the House of Representatives and the Senate on the dates hereon set forth.

---

**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

---

**HOUSE BILL 1075**

---

Passed Legislature - 2025 Regular Session

**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representatives Walen, Leavitt, Ramel, Duerr, Shavers, Doglio, Tharinger, Peterson, Wylie, Nance, Berg, Ormsby, Lekanoff, Scott, Salahuddin, Reeves, and Hill

Prefiled 12/16/24. Read first time 01/13/25. Referred to Committee on Housing.

1       AN ACT Relating to expanding housing supply by supporting the  
2       ability of public housing authorities to finance affordable housing  
3       developments; and amending RCW 35.82.070.

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

5       **Sec. 1.** RCW 35.82.070 and 2023 c 133 s 1 are each amended to  
6       read as follows:

7       An authority shall constitute a public body corporate and  
8       politic, exercising public and essential governmental functions, and  
9       having all the powers necessary or convenient to carry out and  
10      effectuate the purposes and provisions of this chapter, including the  
11      following powers in addition to others herein granted:

12      (1) To sue and be sued; to have a seal and to alter the same at  
13      pleasure; to have perpetual succession; to make and execute contracts  
14      and other instruments, including but not limited to partnership  
15      agreements and joint venture agreements, necessary or convenient to  
16      the exercise of the powers of the authority; to participate in the  
17      organization or the operation of a nonprofit corporation which has as  
18      one of its purposes to provide or assist in the provision of housing  
19      for persons of low income; and to make and from time to time amend  
20      and repeal bylaws, rules and regulations, not inconsistent with this

chapter, to carry into effect the powers and purposes of the authority.

(2) Within its area of operation: To prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof; to agree to rent or sell dwellings forming part of the projects to or for persons of low income. Where an agreement or option is made to sell a dwelling to a person of low income, the authority may convey the dwelling to the person upon fulfillment of the agreement irrespective of whether the person is at the time of the conveyance a person of low income. Leases, options, agreements, or conveyances may include such covenants as the authority deems appropriate to assure the achievement of the objectives of this chapter.

(3) To acquire, lease, rent, sell, or otherwise dispose of any commercial space located in buildings or structures containing a housing project or projects.

(4) To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants thereof; and (notwithstanding anything to the contrary contained in this chapter or in any other provision of law) to include in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the federal government may have attached to its financial aid of the project.

(5) To lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project and (subject to the limitations contained in this chapter) to establish and revise the rents or charges therefor; to own or manage buildings containing a housing project or projects as well as commercial space or other dwelling units that do not constitute a housing project as that term is defined in this chapter. However, notwithstanding the provisions under subsection (1) of this section, dwelling units made available or sold to persons of low income, together with functionally related and subordinate facilities, shall occupy at least 50 percent of the interior space in the total development owned by the authority or at least 50 percent of the total number of units in the development owned by the authority,

1   whichever produces the greater number of units for persons of low  
2   income, and for mobile home parks, the mobile home lots made  
3   available to persons of low income shall be at least 50 percent of  
4   the total number of mobile home lots in the park owned by the  
5   authority; to own, hold, and improve real or personal property; to  
6   purchase, lease, obtain options upon, acquire by gift, grant,  
7   bequest, devise, or otherwise including financial assistance and  
8   other aid from the state or any public body, person or corporation,  
9   any real or personal property or any interest therein; to acquire by  
10  the exercise of the power of eminent domain any real property; to  
11  sell, lease, exchange, transfer, assign, pledge, or dispose of any  
12  real or personal property or any interest therein; to sell, lease,  
13  exchange, transfer, or dispose of any real or personal property or  
14  interest therein at less than fair market value to a governmental  
15  entity for any purpose when such action assists the housing authority  
16  in carrying out its powers and purposes under this chapter, to a low-  
17  income person or family for the purpose of providing housing for that  
18  person or family, or to a nonprofit corporation provided the  
19  nonprofit corporation agrees to sell the property to a low-income  
20  person or family or to use the property for the provision of housing  
21  for persons of low income for at least 20 years; to insure or provide  
22  for the insurance of any real or personal property or operations of  
23  the authority against any risks or hazards; to procure or agree to  
24  the procurement of insurance or guarantees from the federal  
25  government of the payment of any bonds or parts thereof issued by an  
26  authority, including the power to pay premiums on any such insurance.

27       (6) To contract with a property management services company for  
28  purposes of operating a housing project. Rental and other project  
29  revenues collected by a property management services company from the  
30  housing project's tenants and used to pay administrative operating  
31  and ordinary maintenance costs incurred by the company under the  
32  terms of the contract with the authority shall be treated as private  
33  funds, and any resulting services as executed at the cost of the  
34  property management services company and the housing project's  
35  tenants, until the net operating revenues are distributed to the  
36  authority for its exclusive use and control. For the purposes of this  
37  subsection, "ordinary maintenance" only includes: Routine repairs  
38  related to unit turnover work; grounds and parking lot upkeep; and  
39  repairs and cleaning work needed to keep a property in a clean, safe,  
40  sanitary, and rentable condition that are customarily undertaken or

1 administered by residential property management services companies.  
2 "Ordinary maintenance" does not include repairs that would be  
3 considered replacement capital repairs or scheduled regular  
4 maintenance work on plumbing, electrical, or HVAC/R systems or their  
5 components.

6 (7) To invest any funds held in reserves or sinking funds, or any  
7 funds not required for immediate disbursement, in property or  
8 securities in which savings banks may legally invest funds subject to  
9 their control; to purchase its bonds at a price not more than the  
10 principal amount thereof and accrued interest, all bonds so purchased  
11 to be canceled.

12 (8) Within its area of operation: To investigate into living,  
13 dwelling and housing conditions and into the means and methods of  
14 improving such conditions; to determine where slum areas exist or  
15 where there is a shortage of decent, safe and sanitary dwelling  
16 accommodations for persons of low income; to make studies and  
17 recommendations relating to the problem of clearing, replanning and  
18 reconstructing of slum areas, and the problem of providing dwelling  
19 accommodations for persons of low income, and to cooperate with the  
20 city, the county, the state or any political subdivision thereof in  
21 action taken in connection with such problems; and to engage in  
22 research, studies and experimentation on the subject of housing.

23 (9) Acting through one or more commissioners or other person or  
24 persons designated by the authority: To conduct examinations and  
25 investigations and to hear testimony and take proof under oath at  
26 public or private hearings on any matter material for its  
27 information; to administer oaths, issue subpoenas requiring the  
28 attendance of witnesses or the production of books and papers and to  
29 issue commissions for the examination of witnesses who are outside of  
30 the state or unable to attend before the authority, or excused from  
31 attendance; to make available to appropriate agencies (including  
32 those charged with the duty of abating or requiring the correction of  
33 nuisances or like conditions, or of demolishing unsafe or insanitary  
34 structures within its area of operation) its findings and  
35 recommendations with regard to any building or property where  
36 conditions exist which are dangerous to the public health, morals,  
37 safety or welfare.

38 (10) To initiate eviction proceedings against any tenant as  
39 provided by law. Activity occurring in any housing authority unit

1 that constitutes a violation of chapter 69.41, 69.50, or 69.52 RCW  
2 shall constitute a nuisance for the purpose of RCW 59.12.030(5).

3 (11) To exercise all or any part or combination of powers herein  
4 granted.

5 No provisions of law with respect to the acquisition, operation  
6 or disposition of property by other public bodies shall be applicable  
7 to an authority unless the legislature shall specifically so state.

8 (12) To agree (notwithstanding the limitation contained in RCW  
9 35.82.210) to make such payments in lieu of taxes as the authority  
10 finds consistent with the achievement of the purposes of this  
11 chapter.

12 (13) Upon the request of a county or city, to exercise any powers  
13 of a community renewal agency under chapter 35.81 RCW or a public  
14 corporation, commission, or authority under chapter 35.21 RCW.

15 (14) To exercise the powers granted in this chapter within the  
16 boundaries of any city, town, or county not included in the area in  
17 which such housing authority is originally authorized to function:  
18 PROVIDED, HOWEVER, The governing or legislative body of such city,  
19 town, or county, as the case may be, adopts a resolution declaring  
20 that there is a need for the authority to function in such territory.

21 (15) To administer contracts for assistance payments to persons  
22 of low income in accordance with section 8 of the United States  
23 Housing Act of 1937, as amended by Title II, section 201 of the  
24 Housing and Community Development Act of 1974, P.L. 93-383.

25 (16) To sell at public or private sale, with or without public  
26 bidding, for fair market value, any mortgage or other obligation held  
27 by the authority.

28 (17) To the extent permitted under its contract with the holders  
29 of bonds, notes, and other obligations of the authority, to consent  
30 to any modification with respect to rate of interest, time, and  
31 payment of any installment of principal or interest security, or any  
32 other term of any contract, mortgage, mortgage loan, mortgage loan  
33 commitment, contract, or agreement of any kind to which the authority  
34 is a party.

35 (18) To make, purchase, participate in, invest in, take  
36 assignments of, or otherwise acquire loans to persons of low income  
37 to enable them to acquire, construct, reconstruct, rehabilitate,  
38 improve, lease, or refinance their dwellings, and to take such  
39 security therefor as is deemed necessary and prudent by the  
40 authority.

1 (19) To make, purchase, participate in, invest in, take  
2 assignments of, or otherwise acquire loans for the acquisition,  
3 construction, reconstruction, rehabilitation, improvement, leasing,  
4 or refinancing of land, buildings, or developments for housing for  
5 persons of low income. For purposes of this subsection, development  
6 shall include either land or buildings or both.

7 (a) Any development financed under this subsection shall be  
8 subject to an agreement that for at least 20 years the dwelling units  
9 made available to persons of low income together with functionally  
10 related and subordinate facilities shall occupy at least 50 percent  
11 of the interior space in the total development or at least 50 percent  
12 of the total number of units in the development, whichever produces  
13 the greater number of units for persons of low income. For mobile  
14 home parks, the mobile home lots made available to persons of low  
15 income shall be at least 50 percent of the total number of mobile  
16 home lots in the park. During the term of the agreement, the owner  
17 shall use its best efforts in good faith to maintain the dwelling  
18 units or mobile home lots required to be made available to persons of  
19 low income at rents affordable to persons of low income. The 20-year  
20 requirement under this subsection (19)(a) shall not apply when an  
21 authority finances the development by nonprofit corporations or  
22 governmental units of dwellings or mobile home lots intended for sale  
23 to persons of low and moderate income, and shall not apply to  
24 construction or other short-term financing provided to nonprofit  
25 corporations or governmental units when the financing has a repayment  
26 term of one year or less.

27 (b) In addition, if the development is owned by a for-profit  
28 entity, the dwelling units or mobile home lots required to be made  
29 available to persons of low income shall be rented, and have rents  
30 affordable, to persons whose incomes do not exceed 80 percent of the  
31 area median income, adjusted for household size(~~(, and shall have~~  
32 ~~unit or lot rents that do not exceed 15 percent of area median~~  
33 ~~income, adjusted for household size, unless rent subsidies are~~  
34 ~~provided to make them affordable to persons of low income))~~).

35 For purposes of this subsection (19)(b), if the development is  
36 owned directly or through a partnership by a governmental entity or a  
37 nonprofit organization, which nonprofit organization is itself not  
38 controlled by a for-profit entity or affiliated with any for-profit  
39 entity that a nonprofit organization itself does not control, it  
40 shall not be treated as being owned by a for-profit entity when the

1 governmental entity or nonprofit organization exercises legal control  
2 of the ownership entity and in addition, (i) the dwelling units or  
3 mobile home lots required to be made available to persons of low  
4 income are rented to persons whose incomes do not exceed 80 percent  
5 of the area median income, adjusted for household size, and (ii) the  
6 development is subject to an agreement that transfers ownership to  
7 the governmental entity or nonprofit organization or extends an  
8 irrevocable right of first refusal to purchase the development under  
9 a formula for setting the acquisition price that is specified in the  
10 agreement.

11 (c) Commercial space in any building financed under this  
12 subsection that exceeds four stories in height shall not constitute  
13 more than 20 percent of the interior area of the building. Before  
14 financing any development under this subsection the authority shall  
15 make a written finding that financing is important for project  
16 feasibility or necessary to enable the authority to carry out its  
17 powers and purposes under this chapter.

18 (20) To contract with a public authority or corporation, created  
19 by a county, city, or town under RCW 35.21.730 through 35.21.755, to  
20 act as the developer for new housing projects or improvement of  
21 existing housing projects.

--- END ---