

**RCW 43.185A.140 Use of moneys for loans and grant projects to provide affordable housing—Eligible activities.** (1) The department must use moneys from the housing trust fund and other legislative appropriations to finance in whole or in part any loan or grant projects that will provide affordable housing for persons and families with special housing needs and who are low-income households.

(2) At least thirty percent of these moneys used in any given funding cycle must be for the benefit of projects located in rural areas of the state as defined by the department. If the department determines that it has not received an adequate number of suitable applications for rural projects during any given funding cycle, the department may allocate unused moneys for projects in nonrural areas of the state.

(3) The department must prioritize allocating at least, but not limited to, 10 percent of these moneys used in any given funding cycle to organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness, including black, indigenous, and other people of color and, lesbian, gay, bisexual, queer, transgender, and other gender-diverse individuals.

(4) Activities eligible for assistance from the housing trust fund and other legislative appropriations include, but are not limited to:

(a) New construction, rehabilitation, or acquisition of low and very low-income housing units;

(b) Preconstruction technical assistance, design and finance services and consultation, and administrative costs for eligible nonprofit community or neighborhood-based organizations;

(c) Administrative costs for housing assistance groups or organizations when such grant or loan will substantially increase the recipient's access to housing funds other than those available under this chapter;

(d) Shelters for the homeless, including emergency shelters and overnight youth shelters;

(e) Down payment or closing costs assistance for low-income first-time homebuyers;

(f) Acquisition of housing units for the purpose of preservation as low-income housing;

(g) Projects making affordable housing projects more accessible to low-income households with members who have disabilities; and

(h) Remodeling and improvements as required to meet building code, licensing requirements, or legal operations to residential properties owned and operated by an entity eligible under RCW 43.185A.040, which were transferred as described in RCW 82.45.010(3)(t) by the parent of a child with developmental disabilities.

(5) (a) Legislative appropriations from capital bond proceeds may be used for the costs of projects authorized under subsection (4) of this section, except for costs of subsection (4)(c) of this section.

(b) The department may use up to three percent of the appropriations from capital bond proceeds or other new appropriations for affordable housing investments for administrative costs associated with application, distribution, and project development activities of the affordable housing program.

(c) Reappropriations must not be included in the calculation of the annual funds available for determining the administrative costs.

(6) (a) Moneys received from repayment of housing trust fund loans or other affordable housing appropriations may be used for all activities necessary for the proper functioning of the affordable housing program, including, but not limited to, providing preservation funding, as provided in RCW 43.185A.180, and preconstruction technical assistance as provided in RCW 43.185A.170.

(b) Administrative costs associated with compliance and monitoring activities of the department may not exceed four-tenths of one percent annually of the contracted amount of state investment in affordable housing programs. [2023 c 275 s 3. Prior: 2021 c 332 s 7032; 2021 c 130 s 5; 2018 c 223 s 4; 2017 3rd sp.s. c 12 s 13; 2013 c 145 s 2; 2011 1st sp.s. c 50 s 953; 2006 c 371 s 236; prior: 2005 c 518 s 1801; 2005 c 219 s 1; 2002 c 294 s 6; 1994 c 160 s 1; 1991 c 356 s 4; 1986 c 298 s 6. Formerly RCW 43.185.050.]

**Effective date—2021 c 332:** See note following RCW 43.19.501.

**Findings—2018 c 223:** See note following RCW 82.45.010.

**Findings—Intent—Effective date—2017 3rd sp.s. c 12:** See notes following RCW 43.31.565.

**Effective dates—2011 1st sp.s. c 50:** See note following RCW 15.76.115.

**Effective date—2006 c 371:** See note following RCW 27.34.330.

**Effective date—2005 c 518:** See note following RCW 28A.600.110.

**Findings—2002 c 294:** See note following RCW 36.18.010.