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**SUBSTITUTE HOUSE BILL 2620**

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**State of Washington**

**66th Legislature**

**2020 Regular Session**

**By** House Finance (originally sponsored by Representatives Walen, Barkis, Fitzgibbon, Chapman, Boehnke, Duerr, MacEwen, Gildon, Ortiz-Self, Lekanoff, Senn, and Leavitt; by request of Office of the Governor)

READ FIRST TIME 02/11/20.

1 AN ACT Relating to expanding the property tax exemption for new  
2 and rehabilitated multiple-unit dwellings in urban growth areas;  
3 amending RCW 84.14.007, 84.14.010, 84.14.020, 84.14.040, 84.14.060,  
4 and 84.14.100; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** (1) This section is the tax preference  
7 performance statement for the tax preferences contained in section 4,  
8 chapter . . ., Laws of 2020 (section 4 of this act). This performance  
9 statement is only intended to be used for subsequent evaluation of  
10 the tax preferences. It is not intended to create a private right of  
11 action by any party or be used to determine eligibility for  
12 preferential tax treatment.

13 (2) The legislature categorizes these tax preferences as ones  
14 intended to induce certain designated behavior by taxpayers, as  
15 indicated in RCW 82.32.808(2)(a).

16 (3) It is the legislature's specific public policy objective to:

17 (a) Incentivize developers to construct or rehabilitate  
18 multifamily housing;

19 (b) Incentivize local governments and multifamily housing owners  
20 to maintain or expand existing income-restricted unit stock that have  
21 been incentivized through the tax exemption provided under chapter

1 84.14 RCW via new authority to renew the property tax abatement in  
2 exchange for continued or additional affordability; and

3 (c) Further encourage multifamily construction in cities and  
4 certain unincorporated urban growth areas by expanding access to the  
5 multifamily tax exemption program to a broader set of jurisdictions.

6 (4) It is the legislature's intent to provide the value of new  
7 housing construction, conversion, and rehabilitation improvements  
8 qualifying under chapter 84.14 RCW an exemption from ad valorem  
9 property taxation for eight to twelve years or more, as provided for  
10 in RCW 84.14.020, in order to provide incentives to developers to  
11 construct or rehabilitate multifamily housing thereby increasing the  
12 number of affordable housing units, or preserving the state's stock  
13 of income-restricted units, for low-income to moderate-income  
14 residents in certain urban growth areas.

15 (5) The legislature intends to extend the expiration date of the  
16 tax preferences in section 4, chapter . . ., Laws of 2020 (section 4  
17 of this act), if a review finds that:

18 (a) Projects receiving an initial eight-year or twelve-year  
19 exemption regularly enter into subsequent twelve-year extensions in  
20 exchange for continued or increased income restrictions on affordable  
21 units; and

22 (b) At least twenty percent of the new housing is developed and  
23 occupied by households earning:

24 (i) At or below eighty percent of the area median income, at the  
25 time of occupancy, adjusted for family size for the city or county in  
26 which the project is located; or

27 (ii) Where the housing is intended exclusively for owner  
28 occupancy, up to one hundred fifteen percent of the area median  
29 income, at the time of sale, adjusted for family size for the city or  
30 county in which the project is located.

31 (6) In order to obtain the data necessary to perform the review  
32 in subsection (4) of this section, the joint legislative audit and  
33 review committee must refer to the annual reports compiled by the  
34 department of commerce under RCW 84.14.100 and may refer to data  
35 provided by counties or cities in which persons are utilizing the  
36 preferences, the office of financial management, the department of  
37 commerce, the United States department of housing and urban  
38 development, and any other data sources, as needed by the joint  
39 legislative audit and review committee.

1       **Sec. 2.** RCW 84.14.007 and 2014 c 96 s 2 are each amended to read  
2 as follows:

3       It is the purpose of this chapter to encourage increased  
4 residential opportunities, including affordable housing  
5 opportunities, in residential targeted areas of cities (~~(that are~~  
6 ~~required to plan or choose to plan under the growth management act~~  
7 ~~within urban centers)) where the governing authority of the affected  
8 city has found there is insufficient housing opportunities, including  
9 affordable housing opportunities. It is further the purpose of this  
10 chapter to stimulate the construction of new multifamily housing and  
11 the rehabilitation of existing vacant and underutilized buildings for  
12 multifamily housing in (~~(urban centers))~~ residential targeted areas  
13 having insufficient housing opportunities that will increase and  
14 improve residential opportunities, including affordable housing  
15 opportunities(~~(, within these urban centers))~~). To achieve these  
16 purposes, this chapter provides for special valuations in  
17 (~~(residentially deficient urban centers))~~ designated residential  
18 targeted areas for eligible improvements associated with multiunit  
19 housing, which includes affordable housing. It is an additional  
20 purpose of this chapter to allow unincorporated areas of (~~(rural))~~  
21 counties that are within urban growth areas to stimulate housing  
22 opportunities (~~(and for certain counties to stimulate housing~~  
23 ~~opportunities near college campuses)), to incentivize redevelopment~~  
24 of areas in urban growth areas to promote transit supportive  
25 densities and more efficient land use, and to promote dense, transit-  
26 oriented, walkable college communities near college campuses.~~

27       **Sec. 3.** RCW 84.14.010 and 2017 c 52 s 16 are each amended to  
28 read as follows:

29       The definitions in this section apply throughout this chapter  
30 unless the context clearly requires otherwise.

31       (1) "Affordable housing" means residential housing (~~(that is~~  
32 ~~rented by a person or household whose)) for rental occupancy which,~~  
33 as long as the housing is occupied by low-income households, requires  
34 payment of monthly housing costs, including utilities other than  
35 telephone, (~~(do not exceed)) of no more than~~ thirty percent of the  
36 household's monthly income. For the purposes of housing intended for  
37 owner occupancy, "affordable housing" means residential housing that  
38 is within the means of low or moderate-income households.

1 (2) "Campus facilities master plan" means the area that is  
2 defined by the University of Washington as necessary for the future  
3 growth and development of its campus facilities for campuses  
4 authorized under RCW 28B.45.020.

5 (3) "City" means (~~(either (a) a city or town with a population of~~  
6 ~~at least fifteen thousand, (b) the largest city or town, if there is~~  
7 ~~no city or town with a population of at least fifteen thousand,~~  
8 ~~located in a county planning under the growth management act, or (c)~~  
9 ~~a city or town with a population of at least five thousand located in~~  
10 ~~a county subject to the provisions of RCW 36.70A.215)) any city or~~  
11 ~~town.~~

12 (4) "County" means (~~(a county with an unincorporated population~~  
13 ~~of at least three hundred fifty thousand)) all counties fully~~  
14 ~~planning under RCW 36.70A.040.~~

15 (5) "Governing authority" means the local legislative authority  
16 of a city or a county having jurisdiction over the property for which  
17 an exemption may be applied for under this chapter.

18 (6) "Growth management act" means chapter 36.70A RCW.

19 (7) "High cost area" means a county where the third quarter  
20 median house price for the previous year as reported by the  
21 Washington center for real estate research at Washington State  
22 University is equal to or greater than one hundred thirty percent of  
23 the statewide median house price published during the same time  
24 period.

25 (8) "Household" means a single person, family, or unrelated  
26 persons living together.

27 (9) "Low-income household" means a single person, family, or  
28 unrelated persons living together whose adjusted income is at or  
29 below eighty percent of the median family income adjusted for family  
30 size, for the city or county where the project is located, as  
31 reported by the United States department of housing and urban  
32 development. For cities located in high-cost areas, "low-income  
33 household" means a household that has an income at or below one  
34 hundred percent of the median family income adjusted for family size,  
35 for the city or county where the project is located.

36 (10) "Moderate-income household" means a single person, family,  
37 or unrelated persons living together whose adjusted income is more  
38 than eighty percent but is at or below one hundred fifteen percent of  
39 the median family income adjusted for family size, for the city or  
40 county where the project is located, as reported by the United States

1 department of housing and urban development. For cities located in  
2 high-cost areas, "moderate-income household" means a household that  
3 has an income that is more than one hundred percent, but at or below  
4 one hundred fifty percent, of the median family income adjusted for  
5 family size, for the city or county where the project is located.

6 (11) "Multiple-unit housing" means a building having four or more  
7 dwelling units not designed or used as transient accommodations and  
8 not including hotels and motels. Multifamily units may result from  
9 new construction or (~~rehabilitated~~) rehabilitation or conversion of  
10 vacant, underutilized, or substandard buildings to multifamily  
11 housing.

12 (12) "Owner" means the property owner of record.

13 (13) "Permanent residential occupancy" means multiunit housing  
14 that provides either rental or owner occupancy on a nontransient  
15 basis. This includes owner-occupied or rental accommodation that is  
16 leased for a period of at least one month. This excludes hotels and  
17 motels that predominately offer rental accommodation on a daily or  
18 weekly basis.

19 (14) "Rehabilitation improvements" means modifications to  
20 existing structures, that are vacant for twelve months or longer,  
21 that are made to achieve a condition of substantial compliance with  
22 existing building codes or modification to existing occupied  
23 structures which increase the number of multifamily housing units.

24 (15) "Residential targeted area" means an area within an urban  
25 center or urban growth area that: (a) (i) Is zoned to allow an average  
26 minimum density equivalent to fifteen dwelling units or more per  
27 gross acre; or (ii) for cities with a population over twenty  
28 thousand, is zoned to allow an average minimum density equivalent to  
29 twenty-five dwelling units or more per gross acre; and (b) has been  
30 designated by the governing authority as a residential targeted area  
31 in accordance with this chapter. With respect to designations after  
32 July 1, 2007, "residential targeted area" may not include a campus  
33 facilities master plan.

34 (~~(16) ("Rural county" means a county with a population between~~  
35 ~~fifty thousand and seventy-one thousand and bordering Puget Sound.~~

36 ~~(17))~~ "Substantial compliance" means compliance with local  
37 building or housing code requirements that are typically required for  
38 rehabilitation as opposed to new construction.

1       (~~(18)~~) (17) "Urban center" means a compact identifiable  
2 district where urban residents may obtain a variety of products and  
3 services. An urban center must contain:

4       (a) Several existing or previous, or both, business  
5 establishments that may include but are not limited to shops,  
6 offices, banks, restaurants, governmental agencies;

7       (b) Adequate public facilities including streets, sidewalks,  
8 lighting, transit, domestic water, and sanitary sewer systems; and

9       (c) A mixture of uses and activities that may include housing,  
10 recreation, and cultural activities in association with either  
11 commercial or office, or both, use.

12       **Sec. 4.** RCW 84.14.020 and 2007 c 430 s 4 are each amended to  
13 read as follows:

14       (1)(a) The value of new housing construction, conversion, and  
15 rehabilitation improvements qualifying under this chapter is exempt  
16 from ad valorem property taxation, as follows:

17       (i) For properties for which applications for certificates of tax  
18 exemption eligibility are submitted under this chapter (~~(84.14-RCW)~~)  
19 before July 22, 2007, the value is exempt for ten successive years  
20 beginning January 1 of the year immediately following the calendar  
21 year of issuance of the certificate; and

22       (ii) For properties for which applications for certificates of  
23 tax exemption eligibility are submitted under this chapter (~~(84.14~~  
24 ~~RCW)~~) on or after July 22, 2007, the value is exempt:

25       (A) For eight successive years beginning January 1st of the year  
26 immediately following the calendar year of issuance of the  
27 certificate; or

28       (B) For twelve successive years beginning January 1st of the year  
29 immediately following the calendar year of issuance of the  
30 certificate, if the property otherwise qualifies for the exemption  
31 under this chapter (~~(84.14-RCW)~~) and meets the conditions in this  
32 subsection (1)(a)(ii)(B). For the property to qualify for the twelve-  
33 year exemption under this subsection, the applicant must commit to  
34 renting or selling at least twenty percent of the multifamily housing  
35 units as affordable housing (~~(units)~~) to low and moderate-income  
36 households, the applicant must provide units for a variety of  
37 household sizes by providing affordable units of different sizes  
38 substantially proportional to the property as a whole, and the  
39 property must satisfy that commitment and any additional

1 affordability and income eligibility conditions adopted by the local  
2 government under this chapter. In the case of projects intended  
3 exclusively for owner occupancy, the minimum requirement of this  
4 subsection (1)(a)(ii)(B) may be satisfied solely through housing  
5 affordable to moderate-income households.

6 (b) The exemptions provided in (a)(i) and (ii) of this subsection  
7 do not include the value of land or nonhousing-related improvements  
8 not qualifying under this chapter.

9 (2) When a local government adopts guidelines pursuant to RCW  
10 84.14.030(2) and includes conditions that must be satisfied with  
11 respect to individual dwelling units, rather than with respect to the  
12 multiple-unit housing as a whole or some minimum portion thereof, the  
13 exemption may, at the local government's discretion, be limited to  
14 the value of the qualifying improvements allocable to those dwelling  
15 units that meet the local guidelines.

16 (3) In the case of rehabilitation of existing buildings, the  
17 exemption does not include the value of improvements constructed  
18 prior to the submission of the application required under this  
19 chapter. The incentive provided by this chapter is in addition to any  
20 other incentives, tax credits, grants, or other incentives provided  
21 by law.

22 (4) This chapter does not apply to increases in assessed  
23 valuation made by the assessor on nonqualifying portions of building  
24 and value of land nor to increases made by lawful order of a county  
25 board of equalization, the department of revenue, or a county, to a  
26 class of property throughout the county or specific area of the  
27 county to achieve the uniformity of assessment or appraisal required  
28 by law.

29 ~~((At the conclusion of the exemption period, the new or  
30 rehabilitated housing cost shall))~~ The value of the new housing  
31 construction, conversion, or rehabilitation improvements must be  
32 considered as new construction for the purposes of chapters 84.55 and  
33 36.21 RCW as though the property was not exempt under this chapter.

34 (6) For properties that qualified for, satisfied the conditions  
35 of, and utilized the exemption under subsection (1)(a)(ii)(A) of this  
36 section, following the initial eight-year exemption period, the  
37 exemption period may be extended for an additional twelve years,  
38 provided that the local government adopts qualifying guidelines for  
39 such an extension, and the applicant meets at a minimum the locally

1 adopted requirements for the property to qualify for an exemption  
2 under subsection (1)(a)(ii)(B) of this section.

3 (7) For properties that qualified for, satisfied the conditions  
4 of, and utilized the exemption under subsection (1)(a)(ii)(B) of this  
5 section, following the initial twelve-year exemption period, the  
6 exemption period may be extended for an additional twelve years,  
7 provided that the local government adopts qualifying guidelines for  
8 such an extension. The local government may adopt and implement more  
9 stringent requirements, including limits that apply to a higher  
10 percentage of units than the minimum conditions required for the  
11 exemption as provided under subsection (1)(a)(ii)(B) of this section  
12 in order to qualify for an extension. For the property to qualify for  
13 an extension under this subsection (7), the applicant must meet at a  
14 minimum the locally adopted requirements for the property to qualify  
15 for an exemption under subsection (1)(a)(ii)(B) of this section.

16 (8)(a) At the end of both the tenth and eleventh years of an  
17 exemption provided under (1)(a)(ii)(B) of this section, applicants  
18 must provide tenants of rent-restricted units with notification of  
19 intent to apply for an additional exemption period, or intent to  
20 increase rents at the close of the exemption.

21 (b) At the end of both the tenth and eleventh years of an  
22 extended exemption provided under subsection (6) or (7) of this  
23 section, applicants must provide tenants of rent-restricted units  
24 with notification of intent to increase rents at the close of the  
25 exemption.

26 **Sec. 5.** RCW 84.14.040 and 2014 c 96 s 4 are each amended to read  
27 as follows:

28 (1) The following criteria must be met before an area may be  
29 designated as a residential targeted area:

30 (a) The area must be within a city, or for a county, within an  
31 urban center, as determined by the governing authority, and must be  
32 zoned to allow an average minimum density equivalent to fifteen  
33 dwelling units or more per gross acre, or for cities with a  
34 population over twenty thousand, be zoned to allow an average minimum  
35 density equivalent to twenty-five dwelling units or more per gross  
36 acre;

37 (b) The area must lack, as determined by the governing authority,  
38 sufficient available, desirable, and convenient residential housing,  
39 including affordable housing, to meet the needs of the public who



1 would be likely to live in the urban center, if the affordable,  
2 desirable, attractive, and livable places to live were available;

3 (c) The providing of additional housing opportunity, including  
4 affordable housing, in the area, as determined by the governing  
5 authority, will assist in achieving one or more of the stated  
6 purposes of this chapter; and

7 (d) If the residential targeted area is designated by a county,  
8 the area must be located in an unincorporated area of the county that  
9 is within an urban growth area under RCW 36.70A.110 and the area must  
10 be: (i) In a (~~rural~~) county, served by a sewer system and  
11 designated by a county prior to January 1, 2013; (~~or~~) (ii) in a  
12 county that includes a campus of an institution of higher education,  
13 as defined in RCW 28B.92.030, where at least one thousand two hundred  
14 students live on campus during the academic year; or (iii) until July  
15 1, 2024, in a county seeking to promote transit supportive densities  
16 and efficient land use in an area that is located within a designated  
17 urban growth area and within one-quarter of a mile of a corridor  
18 where bus service is scheduled at least every twenty minutes for no  
19 less than ten hours per weekday and is in service or is planned for  
20 service to begin within five years of designation.

21 (2) For the purpose of designating a residential targeted area or  
22 areas, the governing authority may adopt a resolution of intention to  
23 so designate an area as generally described in the resolution. The  
24 resolution must state the time and place of a hearing to be held by  
25 the governing authority to consider the designation of the area and  
26 may include such other information pertaining to the designation of  
27 the area as the governing authority determines to be appropriate to  
28 apprise the public of the action intended.

29 (3) The governing authority must give notice of a hearing held  
30 under this chapter by publication of the notice once each week for  
31 two consecutive weeks, not less than seven days, nor more than thirty  
32 days before the date of the hearing in a paper having a general  
33 circulation in the city or county where the proposed residential  
34 targeted area is located. The notice must state the time, date,  
35 place, and purpose of the hearing and generally identify the area  
36 proposed to be designated as a residential targeted area.

37 (4) Following the hearing, or a continuance of the hearing, the  
38 governing authority may designate all or a portion of the area  
39 described in the resolution of intent as a residential targeted area

1 if it finds, in its sole discretion, that the criteria in subsections  
2 (1) through (3) of this section have been met.

3 (5) After designation of a residential targeted area, the  
4 governing authority must adopt and implement standards and guidelines  
5 to be utilized in considering applications and making the  
6 determinations required under RCW 84.14.060. The standards and  
7 guidelines must establish basic requirements for both new  
8 construction and rehabilitation, which must include:

9 (a) Application process and procedures;

10 (b) Income and rent standards for affordable units;

11 (c) Requirements that address demolition of existing structures  
12 and site utilization; and

13 ~~((e))~~ (d) Building requirements that may include elements  
14 addressing parking, height, density, environmental impact, and  
15 compatibility with the existing surrounding property and such other  
16 amenities as will attract and keep permanent residents and that will  
17 properly enhance the livability of the residential targeted area in  
18 which they are to be located.

19 (6) The governing authority may adopt and implement ~~((either))~~  
20 as conditions to ~~((eight-year exemptions or as conditions to an~~  
21 ~~extended exemption period under RCW 84.14.020(1)(a)(ii)(B), or~~  
22 ~~both,))~~ any exemption granted pursuant to RCW 84.14.020 more  
23 stringent income eligibility, rent, or sale price limits, including  
24 limits that apply to a higher percentage of units, than the minimum  
25 conditions for an extended exemption period under RCW  
26 84.14.020(1)(a)(ii)(B). For any multiunit housing located in an  
27 unincorporated area of a county, a property owner seeking tax  
28 incentives under this chapter must commit to renting or selling at  
29 least twenty percent of the multifamily housing units as affordable  
30 housing units to low and moderate-income households. In the case of  
31 multiunit housing intended exclusively for owner occupancy, the  
32 minimum requirement of this subsection (6) may be satisfied solely  
33 through housing affordable to moderate-income households.

34 (7) After designation of a residential targeted area, the  
35 governing authority must notify the county assessor's office of the  
36 county in which the residential targeted area is located and the  
37 department of commerce of the intention to offer the tax exemption  
38 provided under this chapter with a projected fiscal impact and  
39 potential expiration date.

1       **Sec. 6.** RCW 84.14.060 and 2014 c 96 s 5 are each amended to read  
2 as follows:

3       (1) The duly authorized administrative official or committee of  
4 the city or county may approve the application if it finds that:

5       (a) A minimum of four new units are being constructed or in the  
6 case of occupied rehabilitation or conversion a minimum of four  
7 additional multifamily units are being developed;

8       (b) If applicable, the proposed multiunit housing project meets  
9 the affordable housing requirements as described in RCW 84.14.020;

10       (c) The proposed project is or will be, at the time of  
11 completion, in conformance with all local plans and regulations that  
12 apply at the time the application is approved;

13       (d) The owner has complied with all standards and guidelines  
14 adopted by the city or county under this chapter, including  
15 jurisdiction-specific income and rent standards; (~~and~~)

16       (e) The site is located in a residential targeted area of an  
17 urban center or urban growth area that has been designated by the  
18 governing authority in accordance with procedures and guidelines  
19 indicated in RCW 84.14.040; and

20       (f)(i) The city or county has conducted an analysis of the  
21 project's benefit to the public with and without a property tax  
22 exemption. Such an analysis must include, but not be limited to, an  
23 assessment of displacement of existing residents, gentrification of  
24 existing neighborhoods, and the project's contribution to the housing  
25 needs of the community.

26       (ii) For projects applying for the exemption under RCW  
27 84.14.020(1)(a)(ii)(B), the analysis must additionally assess the  
28 proposed rent levels for income-restricted units at the time of  
29 issuance of the exemption compared to fair market rents in similar  
30 areas. If income-restricted rent levels do not result in rents lower  
31 than the fair market rent, the project may not receive an exemption  
32 under RCW 84.14.020(1)(a)(ii)(B), but may apply for an exemption  
33 under RCW 84.14.020(1)(a)(ii)(A).

34       (2) For all newly exempted projects after July 1, 2020, with a  
35 specific rent-restricted affordable housing requirement pursuant to  
36 RCW 84.14.020, as a condition of approval of an application under  
37 this section, a local jurisdiction must enter into an agreement with  
38 the project applicant to provide at least one of the following to  
39 tenants occupying rent-restricted units:

1 (a) At the close of the exemption, a gradual monthly rent  
2 increase from the specified affordable rate to market rate over a  
3 period of months equivalent to the number of years that a tenant  
4 resided within a rent-restricted unit;

5 (b) Rental assistance for a period not to exceed one year, or  
6 until the tenant exits a given rent-restricted unit; or

7 (c) At the close of the exemption, relocation assistance  
8 including, but not limited to, advance payments required for moving  
9 into a new residence, and any application fees.

10 (3) By June 1, 2024, and every four years thereafter, a governing  
11 jurisdiction shall conduct a cumulative assessment of public benefit  
12 of all exemptions granted under this chapter. A governing  
13 jurisdiction shall evaluate whether its exemption program should be  
14 revised to address cumulative impacts to disadvantaged communities,  
15 and whether the program has resulted in additional housing  
16 opportunities or displacement of existing residents.

17 (4) An application may not be approved after July 1, 2007, if any  
18 part of the proposed project site is within a campus facilities  
19 master plan, except as provided in RCW 84.14.040(1)(d).

20 ~~((3) An application may not be approved for a residential~~  
21 ~~targeted area in a rural county on or after January 1, 2020.))~~

22 **Sec. 7.** RCW 84.14.100 and 2012 c 194 s 9 are each amended to  
23 read as follows:

24 (1) Thirty days after the anniversary of the date of the  
25 certificate of tax exemption and each year for the tax exemption  
26 period, the owner of the rehabilitated or newly constructed property  
27 must file with a designated authorized representative of the city or  
28 county an annual report indicating the following:

29 (a) A statement of occupancy and vacancy of the rehabilitated or  
30 newly constructed property during the twelve months ending with the  
31 anniversary date;

32 (b) A certification by the owner that the property has not  
33 changed use and, if applicable, that the property has been in  
34 compliance with the affordable housing requirements as described in  
35 RCW 84.14.020 since the date of the certificate approved by the city  
36 or county;

37 (c) A description of changes or improvements constructed after  
38 issuance of the certificate of tax exemption; and

1 (d) Any additional information requested by the city or county in  
2 regards to the units receiving a tax exemption.

3 (2) All cities or counties, which issue certificates of tax  
4 exemption for multiunit housing that conform to the requirements of  
5 this chapter, must report annually by (~~December 31st of each~~) June  
6 30th of the following year, beginning in (~~2007~~) 2020, to the  
7 department of commerce. The report must include the following  
8 information:

9 (a) The number of tax exemption certificates granted;

10 (b) The total number and type of units produced or to be  
11 produced;

12 (c) The number, size, and type of units produced or to be  
13 produced meeting affordable housing requirements;

14 (d) The actual development cost of each unit produced;

15 (e) The total monthly rent or total sale amount of each unit  
16 produced;

17 (f) (~~The~~) For affordable units, the annual income and household  
18 size of each renter or owner household (~~at the time of initial~~  
19 ~~occupancy and the income of each initial purchaser of owner-occupied~~  
20 ~~units at the time of purchase~~) for each of the units receiving a tax  
21 exemption and a summary of these figures for the city or county; and

22 (g) The value of the tax exemption for each project receiving a  
23 tax exemption and the total value of tax exemptions granted.

24 (3) By December 1, 2020, the department of commerce shall consult  
25 with affected stakeholders to review and consider revising the  
26 reporting required by this section. The department shall consider  
27 amending or providing additional guidance and forms to facilitate  
28 effective data collection, compilation, and reporting. The department  
29 shall consult participants on effective strategies to provide rental  
30 and relocation assistance via a statewide approach. The guidance must  
31 also address calculation of equivalent densities in residential  
32 targeted areas and methods for evaluating the public benefit pursuant  
33 to RCW 84.14.060(1)(f).

--- END ---