CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 6337**

Chapter 63, Laws of 2016

64th Legislature

2016 Regular Session

TAX FORECLOSED PROPERTY--SALE TO CITIES--USE AS AFFORDABLE HOUSING

EFFECTIVE DATE: 6/9/2016

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| Passed by the Senate March 8, 2016  Yeas 37 Nays 11  BRAD OWEN  **President of the Senate**  Passed by the House March 1, 2016  Yeas 61 Nays 36  FRANK CHOPP  **Speaker of the House of Representatives** | CERTIFICATE  I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6337** as passed by Senate and the House of Representatives on the dates hereon set forth.  HUNTER G. GOODMAN  **Chief Clerk** |
| Approved March 29, 2016 4:18 PM | March 30, 2016 |
| JAY INSLEE  **Governor of the State of Washington** | **Secretary of State**  **State of Washington** |

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**SUBSTITUTE SENATE BILL 6337**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2016 Regular Session

**State of Washington 64th Legislature 2016 Regular Session**

**By** Senate Human Services, Mental Health & Housing (originally sponsored by Senators Darneille, Miloscia, McCoy, Hasegawa, Conway, and Chase)

AN ACT Relating to disposing tax foreclosed property to cities for affordable housing purposes; and amending RCW 36.35.150.

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

**Sec.**  RCW 36.35.150 and 2001 c 299 s 11 are each amended to read as follows:

(1) The county legislative authority may dispose of tax foreclosed property by private negotiation, without a call for bids, for not less than the principal amount of the unpaid taxes in any of the following cases: ((~~(1)~~)) (a) When the sale is to any governmental agency and for public purposes; ((~~(2)~~)) (b) when the county legislative authority determines that it is not practical to build on the property due to the physical characteristics of the property or legal restrictions on construction activities on the property; ((~~(3)~~)) (c) when the property has an assessed value of less than five hundred dollars and the property is sold to an adjoining landowner; or ((~~(4)~~)) (d) when no acceptable bids were received at the attempted public auction of the property, if the sale is made within twelve months from the date of the attempted public auction.

(2) Except when a county legislative authority purchases the tax-foreclosed property for public purposes, the county legislative authority must give notice to any city in which any tax foreclosed property is located within at least sixty days of acquiring such property, and the county may not dispose of the property at public auction or by private negotiation before giving such notice. The notice must offer the city the opportunity to purchase the property for the original minimum bid under RCW 84.64.080, together with any direct costs incurred by the county in the sale. If the city chooses to purchase the property, the following conditions apply:

(a) The city must accept the offer within thirty days of receiving notice, unless the county agrees to extend the offer;

(b) The city must provide that the property is suitable and will be used for an affordable housing development as defined in RCW 36.130.010; and

(c) The city must agree to transfer the property to a local housing authority or other nonprofit entity eligible to receive assistance from the affordable housing program under chapter 43.185A RCW. The city must be reimbursed by the housing authority or other nonprofit entity for the amount the city paid to purchase the property together with any direct costs incurred by the city in the transfer to the housing authority or other nonprofit entity.

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Passed by the Senate March 8, 2016.

Passed by the House March 1, 2016.

Approved by the Governor March 29, 2016.

Filed in Office of Secretary of State March 30, 2016.