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SENATE BILL 6337

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State of Washington

64th Legislature

2016 Regular Session

By Senators Darneille, Miloscia, McCoy, Hasegawa, Conway, and Chase

Read first time 01/18/16. Referred to Committee on Human Services,  
Mental Health & Housing.

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

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

4 **Sec. 1.** RCW 36.35.150 and 2001 c 299 s 11 are each amended to  
5 read as follows:

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

19 (2) The county legislative authority must give notice to any city  
20 in which any tax foreclosed property is located within at least sixty  
21 days of acquiring such property, and the county may not dispose of

1 the property at public auction or by private negotiation before  
2 giving such notice. The notice must offer the city the opportunity to  
3 purchase the property for the principal amount of the unpaid taxes,  
4 under the following conditions:

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

7 (b) The city must provide that the property is suitable and will  
8 be used for an affordable housing development as defined in RCW  
9 36.130.010; and

10 (c) The city must agree to transfer the property to a local  
11 housing authority or other nonprofit entity eligible to receive  
12 assistance from the affordable housing program under chapter 43.185A  
13 RCW. The city must be reimbursed for the amount of unpaid taxes it  
14 paid to purchase the property from the housing authority or other  
15 nonprofit entity.

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