
SENATE BILL 6336

State of Washington 57th Legislature

2002 Regular Session

By Senators Prentice, T. Sheldon, Carlson, Deccio, B. Sheldon, Gardner, Winsley and Rossi

Read first time 01/16/2002. Referred to Committee on Economic Development & Telecommunications.

1 AN ACT Relating to community renewal; amending RCW 35.81.010,
2 35.81.020, 35.81.030, 35.81.040, 35.81.050, 35.81.060, 35.81.070,
3 35.81.080, 35.81.090, 35.81.100, 35.81.110, 35.81.120, 35.81.130,
4 35.81.150, 35.81.160, 35.81.170, 35.81.180, 35.81.910, 35.82.070,
5 35.21.730, 35.21.745, 35.57.020, and 36.100.010; adding a new section
6 to chapter 53.08 RCW; adding new sections to chapter 35.81 RCW;
7 creating a new section; and recodifying RCW 35.81.010 and 35.81.020.

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

9 **Sec. 1.** RCW 35.81.010 and 1991 c 363 s 41 are each amended to read
10 as follows:

11 The following terms wherever used or referred to in this chapter,
12 shall have the following meanings, unless a different meaning is
13 clearly indicated by the context:

14 (1) "Agency" or "~~(urban)~~ community renewal agency" ~~((shall))~~
15 means a public agency created ~~((by))~~ under RCW 35.81.160 or otherwise
16 authorized to serve as a community renewal agency under this chapter.

17 (2) "Blighted area" ~~((shall))~~ means an area which, by reason of the
18 substantial physical dilapidation, deterioration, defective
19 construction, material, and arrangement and/or age or obsolescence of

1 buildings or improvements, whether residential or nonresidential,
2 inadequate provision for ventilation, light, proper sanitary
3 facilities, or open spaces as determined by competent appraisers on the
4 basis of an examination of the building standards of the municipality;
5 inappropriate (~~or mixed~~) uses of land or buildings; (~~high density of~~
6 ~~population and~~) existence of overcrowding of buildings or structures;
7 defective or inadequate street layout; faulty lot layout in relation to
8 size, adequacy, accessibility or usefulness; excessive land coverage;
9 insanitary or unsafe conditions; deterioration of site; existence of
10 hazardous soils, substances, or materials; diversity of ownership; tax
11 or special assessment delinquency exceeding the fair value of the land;
12 defective or unusual conditions of title; improper subdivision or
13 obsolete platting; existence of persistent and high levels of
14 unemployment or poverty within the area; or the existence of conditions
15 (~~which~~) that endanger life or property by fire or other causes, or
16 any combination of such factors, is conducive to ill health,
17 transmission of disease, infant mortality, juvenile delinquency (~~and~~)
18 or crime; substantially impairs or arrests the sound growth of the
19 (~~city~~) municipality or its environs, or retards the provision of
20 housing accommodations (~~or~~); constitutes an economic or social
21 liability(~~or~~); and/or is detrimental, or constitutes a menace, to the
22 public health, safety, welfare, (~~and~~) or morals in its present
23 condition and use.

24 (3) "Bonds" (~~shall~~) means any bonds, notes, or debentures
25 (including refunding obligations) herein authorized to be issued.

26 (4) "Clerk" (~~shall~~) means the clerk or other official of the
27 municipality who is the custodian of the official records of such
28 municipality.

29 (5) "Community renewal area" means a blighted area which the local
30 governing body designates as appropriate for a community renewal
31 project or projects.

32 (6) "Community renewal plan" means a plan, as it exists from time
33 to time, for a community renewal project or projects, which plan (a)
34 shall be consistent with the comprehensive plan or parts thereof for
35 the municipality as a whole; (b) shall be sufficiently complete to
36 indicate such land acquisition, demolition, and removal of structures,
37 redevelopment, improvements, and rehabilitation as may be proposed to
38 be carried out in the community renewal area; zoning and planning
39 changes, if any, which may include, among other things, changes related

1 to land uses, densities, and building requirements; and the plan's
2 relationship to definite local objectives respecting appropriate land
3 uses, improved traffic, public transportation, public utilities,
4 recreational and community facilities, and other public improvements;
5 and (c) may include a plan to address any persistent high levels of
6 unemployment or poverty in the community renewal area.

7 (7) "Community renewal project" includes one or more undertakings
8 or activities of a municipality in a community renewal area: (a) For
9 the elimination and the prevention of the development or spread of
10 blight; (b) for encouraging economic growth through job creation or
11 retention; (c) for redevelopment or rehabilitation in a community
12 renewal area; or (d) any combination or part thereof in accordance with
13 a community renewal plan.

14 (8) "Federal government" (~~shall include~~) includes the United
15 States of America or any agency or instrumentality, corporate or
16 otherwise, of the United States of America.

17 ~~((+6))~~ (9) "Local governing body" (~~shall~~) means the council or
18 other legislative body charged with governing the municipality.

19 ~~((+7))~~ (10) "Mayor" (~~shall~~) means the chief executive of a city
20 or town, or the elected executive, if any, of any county operating
21 under a charter, or the county legislative authority of any other
22 county.

23 ~~((+8))~~ (11) "Municipality" (~~shall~~) means any incorporated city
24 or town, or any county, in the state.

25 ~~((+9))~~ (12) "Obligee" (~~shall include~~) includes any bondholder,
26 agent, or trustees for any bondholders, (~~or~~) any lessor demising to
27 the municipality property used in connection with (~~an urban~~) a
28 community renewal project, or any assignee or assignees of such
29 lessor's interest or any part thereof, and the federal government when
30 it is a party to any contract with the municipality.

31 ~~((+10))~~ (13) "Person" (~~shall~~) means any individual, firm,
32 partnership, corporation, company, association, joint stock
33 association, or school district; and shall include any trustee,
34 receiver, assignee, or other person acting in a similar representative
35 capacity.

36 ~~((+11))~~ (14) "Persons of low income" means an individual with an
37 annual income, at the time of hiring or at the time assistance is
38 provided under this chapter, that does not exceed the higher of either:
39 (a) Eighty percent of the statewide median family income, adjusted for

1 family size; or (b) eighty percent of the median family income for the
2 county or standard metropolitan statistical area, adjusted for family
3 size, where the community renewal area is located.

4 (15) "Public body" (~~(shall)~~) means the state or any municipality,
5 (~~(township,)~~) board, commission, district, or any other subdivision or
6 public body of the state or of a municipality.

7 (~~(12)~~) (16) "Public officer" (~~(shall)~~) means any officer who is
8 in charge of any department or branch of the government of the
9 municipality relating to health, fire, building regulations, or to
10 other activities concerning dwellings in the municipality.

11 (~~(13)~~) (17) "Real property" (~~(shall)~~) includes all lands,
12 including improvements and fixtures thereon, and property of any nature
13 appurtenant thereto, or used in connection therewith, and every estate,
14 interest, right and use, legal or equitable, therein, including terms
15 for years and liens by way of judgment, mortgage or otherwise.

16 (~~(14)~~) (18) "Redevelopment" (~~(may)~~) includes (a) acquisition of
17 a blighted area or portion thereof; (b) demolition and removal of
18 buildings and improvements; (c) installation, construction or
19 reconstruction of streets, utilities, parks, playgrounds, and other
20 improvements necessary for carrying out in the area the (~~(urban)~~)
21 community renewal provisions of this chapter in accordance with the
22 (~~(urban)~~) community renewal plan(, —and); (d) making the land
23 available for development or redevelopment by private enterprise or
24 public (~~(agencies)~~) bodies (including sale, initial leasing, or
25 retention by the municipality itself) at its fair value for uses in
26 accordance with the (~~(urban)~~) community renewal plan; and (e) making
27 loans or grants to a person or public body for the purpose of creating
28 or retaining jobs, a substantial portion of which, as determined by the
29 municipality, shall be for persons of low income.

30 (~~(15)~~) (19) "Rehabilitation" (~~(may)~~) includes the restoration and
31 renewal of a blighted area or portion thereof, in accordance with (~~(an~~
32 ~~urban)~~) a community renewal plan, by (a) carrying out plans for a
33 program of voluntary or compulsory repair and rehabilitation of
34 buildings or other improvements; (b) acquisition of real property and
35 demolition or removal of buildings and improvements thereon where
36 necessary to eliminate unhealthful, insanitary or unsafe conditions,
37 lessen density, reduce traffic hazards, eliminate obsolete or other
38 uses detrimental to the public welfare, or otherwise to remove or
39 prevent the spread of blight or deterioration, or to provide land for

1 needed public facilities; (c) installation, construction or
2 reconstruction of streets, utilities, parks, playgrounds, and other
3 improvements necessary for carrying out in the area the ((urban))
4 community renewal provisions of this chapter; and (d) the disposition
5 of any property acquired in such ((urban)) community renewal area
6 ((including sale, initial leasing, or retention by the municipality
7 itself) at its fair value)) for uses in accordance with such ((urban))
8 community renewal plan.

9 ((16) "Urban renewal area" means a blighted area which the local
10 governing body designates as appropriate for an urban renewal project
11 or projects.

12 (17) "Urban renewal plan" means a plan, as it exists from time to
13 time, for an urban renewal project, which plan (a) shall conform to the
14 comprehensive plan or parts thereof for the municipality as a whole;
15 and (b) shall be sufficiently complete to indicate such land
16 acquisition, demolition, and removal of structures, redevelopment,
17 improvements, and rehabilitation as may be proposed to be carried out
18 in the urban renewal area, zoning and planning changes, if any, land
19 uses, maximum densities, building requirements, and the plan's
20 relationship to definite local objectives respecting appropriate land
21 uses, improved traffic, public transportation, public utilities,
22 recreational and community facilities, and other public improvements.

23 (18) "Urban renewal project" may include undertakings or activities
24 of a municipality in an urban renewal area for the elimination and for
25 the prevention of the development or spread of blight, and may involve
26 redevelopment in an urban renewal area, or rehabilitation in an urban
27 renewal area, or any combination or part thereof in accordance with an
28 urban renewal plan.))

29 **Sec. 2.** RCW 35.81.020 and 1965 c 7 s 35.81.020 are each amended to
30 read as follows:

31 It is hereby found and declared that blighted areas which
32 constitute a serious and growing menace, injurious to the public
33 health, safety, morals and welfare of the residents of the state exist
34 in municipalities of the state; that the existence of such areas
35 contributes substantially and increasingly to the spread of disease and
36 crime and depreciation of property values, constitutes an economic and
37 social liability, substantially impairs or arrests the sound growth of
38 municipalities, retards the provision of housing accommodations,

1 hinders job creation and economic growth, aggravates traffic problems
2 and substantially impairs or arrests the elimination of traffic hazards
3 and the improvement of traffic facilities; and that the prevention and
4 elimination of such areas is a matter of state policy and state concern
5 in order that the state and its municipalities shall not continue to be
6 endangered by areas which are focal centers of disease, promote
7 juvenile delinquency, are conducive to fires, are difficult to police
8 and to provide police protection for, and, while contributing little to
9 the tax income of the state and its municipalities, consume an
10 excessive proportion of its revenues because of the extra services
11 required for police, fire, accident, hospitalization and other forms of
12 public protection, services, and facilities.

13 It is further found and declared that certain of such areas, or
14 portions thereof, may require acquisition, clearance, and disposition
15 subject to use restrictions, as provided in this chapter, since the
16 prevailing condition of decay may make impracticable the reclamation of
17 the area by rehabilitation; that other areas or portions thereof may,
18 through the means provided in this chapter, be susceptible of
19 rehabilitation in such a manner that the conditions and evils
20 hereinbefore enumerated may be eliminated, remedied or prevented; and
21 that to the extent feasible salvable blighted areas should be
22 rehabilitated through voluntary action and the regulatory process.

23 It is further found and declared that there is an urgent need to
24 enhance the ability of municipalities to act effectively and
25 expeditiously to revive blighted areas and to prevent further blight
26 due to shocks to the economy of the state and their actual and
27 threatened effects on unemployment, poverty, and the availability of
28 private capital for businesses and projects in the area.

29 It is further found and declared that the powers conferred by this
30 chapter are for public uses and purposes for which public money may be
31 expended and the power of eminent domain exercised; and that the
32 necessity in the public interest for the provisions herein enacted is
33 hereby declared as a matter of legislative determination.

34 **Sec. 3.** RCW 35.81.030 and 1965 c 7 s 35.81.030 are each amended to
35 read as follows:

36 A municipality, to the greatest extent it determines to be feasible
37 in carrying out the provisions of this chapter, shall afford maximum
38 opportunity, consistent with the ((sound)) needs of the municipality as

1 a whole, to the rehabilitation or redevelopment of the ((urban))
2 community renewal area by private enterprise. A municipality shall
3 give consideration to this objective in exercising its powers under
4 this chapter, including the formulation of a workable program, the
5 approval of ((urban)) community renewal plans (consistent with the
6 comprehensive plan or parts thereof for the municipality), the exercise
7 of its zoning powers, the enforcement of other laws, codes and
8 regulations relating to the use of land and the use and occupancy of
9 buildings and improvements, the disposition of any property acquired,
10 and the provision of necessary public improvements.

11 **Sec. 4.** RCW 35.81.040 and 1965 c 7 s 35.81.040 are each amended to
12 read as follows:

13 A municipality for the purposes of this chapter may formulate a
14 workable program for ((utilizing)) using appropriate private and public
15 resources to eliminate, and prevent the development or spread of,
16 blighted areas, to encourage needed ((urban)) community rehabilitation,
17 to provide for the redevelopment of such areas, or to undertake ((such
18 of)) the ((aforesaid)) activities, or other feasible municipal
19 activities as may be suitably employed to achieve the objectives of
20 ((such)) the workable program. ((Such)) The workable program may
21 include, without limitation, provision for: The prevention of the
22 spread of blight into areas of the municipality which are free from
23 blight through diligent enforcement of housing, zoning, and occupancy
24 controls and standards; the rehabilitation of blighted areas or
25 portions thereof by replanning, removing congestion, providing parks,
26 playgrounds and other public improvements, by encouraging voluntary
27 rehabilitation and by compelling the repair and rehabilitation of
28 deteriorated or deteriorating structures; ((and)) the clearance and
29 redevelopment of blighted areas or portions thereof; and the reduction
30 of unemployment and poverty within the community renewal area by
31 providing financial or technical assistance to a person or public body
32 that is used to create or retain jobs, a substantial portion of which,
33 as determined by the municipality, shall be for persons of low income.

34 **Sec. 5.** RCW 35.81.050 and 1965 c 7 s 35.81.050 are each amended to
35 read as follows:

36 (1) No municipality shall exercise any of the powers hereafter
37 conferred upon municipalities by this chapter until after its local

1 governing body shall have adopted ~~((a))~~ an ordinance or resolution
2 finding that: ~~((+1))~~ (a) One or more blighted areas exist in such
3 municipality; and ~~((+2))~~ (b) the rehabilitation, redevelopment, or a
4 combination thereof, of such area or areas is necessary in the interest
5 of the public health, safety, morals, or welfare of the residents of
6 such municipality.

7 (2) After adoption of the ordinance or resolution making the
8 findings described in subsection (1) of this section, the local
9 governing body of the municipality may elect to have the powers of a
10 community renewal agency under this chapter exercised in one of the
11 following ways:

12 (a) By appointing a board or commission composed of not less than
13 five members, which board or commission may include city officials and
14 office holders, selected by the mayor, with approval of the local
15 governing body of the municipality; or

16 (b) By the local governing body of the municipality directly; or

17 (c) By the board of a public corporation, commission, or authority
18 under chapter 35.21 RCW, or a public facilities district created under
19 chapter 35.57 or 36.100 RCW, or a public port district created under
20 chapter 53.04 RCW, or a housing authority created under chapter 35.82
21 RCW, that is authorized to conduct activities as a community renewal
22 agency under this chapter.

23 **Sec. 6.** RCW 35.81.060 and 1965 c 7 s 35.81.060 are each amended to
24 read as follows:

25 (1) A municipality shall not approve ~~((an urban))~~ a community
26 renewal project for ~~((an urban))~~ a community renewal area unless the
27 local governing body has, by ordinance or resolution, determined such
28 an area to be a blighted area and designated ~~((such))~~ the area as
29 appropriate for ~~((an urban))~~ a community renewal project. The local
30 governing body shall not approve ~~((an urban))~~ a community renewal plan
31 until a comprehensive plan or parts of ~~((such))~~ the plan for an area
32 which would include ~~((an urban))~~ a community renewal area for the
33 municipality have been prepared as provided in chapter ~~((35.63 RCW.~~
34 ~~For this purpose and other municipal purposes, authority is hereby~~
35 ~~vested in every municipality to prepare, to adopt, and to revise from~~
36 ~~time to time, a comprehensive plan or parts thereof for the physical~~
37 ~~development of the municipality as a whole (giving due regard to the~~
38 ~~environs and metropolitan surroundings), to establish and maintain a~~

1 ~~planning commission for such purpose and related municipal planning~~
2 ~~activities, and to make available and to appropriate necessary funds~~
3 ~~therefor)) 36.70A RCW. For municipalities not subject to the planning~~
4 ~~requirements of chapter 36.70A RCW, any proposed comprehensive plan~~
5 ~~must be consistent with a local comprehensive plan adopted under~~
6 ~~chapter 35.63 or 36.70 RCW, or any other applicable law. A~~
7 ~~municipality shall not acquire real property for ((an urban)) a~~
8 ~~community renewal project unless the local governing body has approved~~
9 ~~the ((urban)) community renewal project plan in accordance with~~
10 ~~subsection (4) ((hereof)) of this section.~~

11 (2) The municipality may itself prepare or cause to be prepared
12 ((an urban)) a community renewal plan, or any person or agency, public
13 or private, may submit such a plan to the municipality. Prior to its
14 approval of ((an urban)) a community renewal project, the local
15 governing body shall ~~((submit such plan to the planning commission of~~
16 ~~the municipality for review and recommendations as to its conformity))~~
17 review and determine the conformity of the community renewal plan with
18 the comprehensive plan or parts thereof for the development of the
19 municipality as a whole. ((The planning commission shall submit its
20 written recommendations with respect to the proposed urban renewal plan
21 to the local governing body within sixty days after receipt of it.
22 Upon receipt of the recommendations of the planning commission, or if
23 no recommendations are received within sixty days, then without such
24 recommendations, the local governing body may proceed with the hearing
25 on the proposed urban renewal project plan prescribed by subsection (3)
26 hereof)) If the community renewal plan is not consistent with the
27 existing comprehensive plan, the local governing body may amend its
28 comprehensive plan or community renewal plan.

29 (3) Prior to adoption, the local governing body shall hold a public
30 hearing on ((an urban)) a community renewal plan after providing public
31 notice ((thereof)). ((Such)) The notice shall be given by publication
32 once each week for two consecutive weeks not less than ten nor more
33 than thirty days prior to the date of the hearing in a newspaper having
34 a general circulation in the ((urban)) community renewal area of the
35 municipality and by mailing a notice of ((such)) the hearing not less
36 than ten days prior to the date of the hearing to the persons whose
37 names appear on the county treasurer's tax roll as the owner or reputed
38 owner of the property, at the address shown on the tax roll. The
39 notice shall describe the time, date, place, and purpose of the

1 hearing, shall generally identify the (~~urban~~) community renewal area
2 affected, and shall outline the general scope of the (~~urban~~)
3 community renewal plan under consideration.

4 (4) Following (~~such~~) the hearing, the local governing body may
5 approve (~~an urban~~) a community renewal project if it finds that (a)
6 a (~~workable and~~) feasible plan exists for making available adequate
7 housing for the (~~persons~~) residents who may be displaced by the
8 project; (b) the (~~urban~~) community renewal plan conforms to the
9 comprehensive plan (~~or parts thereof~~) for the municipality (~~as a~~
10 ~~whole~~); (c) the (~~urban~~) community renewal plan will afford maximum
11 opportunity, consistent with the (~~sound~~) needs of the municipality
12 (~~as a whole~~), for the rehabilitation or redevelopment of the
13 (~~urban~~) community renewal area by private enterprise; (~~and~~) (d) a
14 sound and adequate financial program exists for the financing of
15 (~~said~~) the project; and (e) the (~~urban~~) community renewal project
16 area is a blighted area as defined in RCW 35.81.010(2) (as recodified
17 by this act).

18 (5) (~~An urban~~) A community renewal project plan may be modified
19 at any time by the local governing body(~~: PROVIDED, That~~). However,
20 if modified after the lease or sale by the municipality of real
21 property in the (~~urban~~) community renewal project area, (~~such~~) the
22 modification shall be subject to (~~such~~) the rights at law or in
23 equity as a lessee or purchaser, or (~~his~~) the successor or successors
24 in interest may be entitled to assert.

25 (6) (~~Upon the approval of an urban renewal project by a~~
26 ~~municipality, the provisions of the urban renewal plan with respect to~~
27 ~~the future use and building requirements applicable to the property~~
28 ~~covered by said plan shall be controlling with respect thereto~~) Unless
29 otherwise expressly stated in an ordinance or resolution of the
30 governing body of the municipality, a community renewal plan shall not
31 be considered a subarea plan or part of a comprehensive plan for
32 purposes of chapter 36.70A RCW. However, a municipality that has
33 adopted a comprehensive plan under chapter 36.70A RCW may adopt all or
34 part of a community renewal plan at any time as a new or amended
35 subarea plan, whether or not any subarea plan has previously been
36 adopted for all or part of the community renewal area. Any community
37 renewal plan so adopted, unless otherwise determined by the growth
38 management hearings board with jurisdiction under a timely appeal in
39 RCW 36.70A.280, shall be conclusively presumed to comply with the

1 requirements in this chapter for consistency with the comprehensive
2 plan.

3 **Sec. 7.** RCW 35.81.070 and 1965 c 7 s 35.81.070 are each amended to
4 read as follows:

5 Every municipality shall have all the powers necessary or
6 convenient to carry out and effectuate the purposes and provisions of
7 this chapter, including the following powers in addition to others
8 (~~herein~~) granted under this chapter:

9 (1) To undertake and carry out (~~urban~~) community renewal projects
10 within the municipality, to make and execute contracts and other
11 instruments necessary or convenient to the exercise of its powers under
12 this chapter, and to disseminate blight clearance and (~~urban~~)
13 community renewal information.

14 (2) To provide or to arrange or contract for the furnishing or
15 repair by any person or agency, public or private, of services,
16 privileges, works, streets, roads, public utilities or other facilities
17 for, or in connection with, (~~an urban~~) a community renewal project;
18 to install, construct, and reconstruct streets, utilities, parks,
19 playgrounds, and other public improvements; and to agree to any
20 conditions that it may deem reasonable and appropriate attached to
21 federal financial assistance and imposed pursuant to federal law
22 relating to the determination of prevailing salaries or wages or
23 compliance with labor standards, in the undertaking or carrying out of
24 (~~an urban~~) a community renewal project, and to include in any
25 contract let in connection with such a project, provisions to fulfill
26 such of said conditions as it may deem reasonable and appropriate.

27 (3) To provide financial or technical assistance, using available
28 public or private funds, to a person or public body for the purpose of
29 creating or retaining jobs, a substantial portion of which, as
30 determined by the municipality, shall be for persons of low income.

31 (4) To make payments, loans, or grants to, provide assistance to,
32 and contract with existing or new owners and tenants of property in the
33 community renewal areas as compensation for any adverse impacts, such
34 as relocation or interruption of business, that may be caused by the
35 implementation of a community renewal project, and/or consideration for
36 commitments to develop, expand, or retain land uses that contribute to
37 the success of the project or plan, including without limitation
38 businesses that will create or retain jobs, a substantial portion of

1 which, as determined by the municipality, shall be for persons of low
2 income.

3 (5) To contract with a person or public body to provide financial
4 assistance, authorized under this section, to property owners and
5 tenants impacted by the implementation of the community renewal plan
6 and to provide incentives to property owners and tenants to encourage
7 them to locate in the community renewal area after adoption of the
8 community renewal plan.

9 (6) Within the municipality, to enter upon any building or property
10 in any (~~urban~~) community renewal area, in order to make surveys and
11 appraisals, provided that such entries shall be made in such a manner
12 as to cause the least possible inconvenience to the persons in
13 possession, and to obtain an order for this purpose from a court of
14 competent jurisdiction in the event entry is denied or resisted; to
15 acquire by purchase, lease, option, gift, grant, bequest, devise,
16 eminent domain, or otherwise, any real property and such personal
17 property as may be necessary for the administration of the provisions
18 herein contained, together with any improvements thereon; to hold,
19 improve, clear, or prepare for redevelopment any such property; to
20 dispose of any real property; to insure or provide for the insurance of
21 any real or personal property or operations of the municipality against
22 any risks or hazards, including the power to pay premiums on any such
23 insurance: PROVIDED, That no statutory provision with respect to the
24 acquisition, clearance, or disposition of property by public bodies
25 shall restrict a municipality in the exercise of such functions with
26 respect to (~~an urban~~) a community renewal project.

27 (~~(4)~~) (7) To invest any (~~urban~~) community renewal project funds
28 held in reserves or sinking funds or any such funds which are not
29 required for immediate disbursement, in property or securities in which
30 mutual savings banks may legally invest funds subject to their control;
31 to redeem such bonds as have been issued pursuant to RCW 35.81.100 at
32 the redemption price established therein or to purchase such bonds at
33 less than redemption price, all such bonds so redeemed or purchased to
34 be canceled.

35 (~~(5)~~) (8) To borrow money and to apply for, and accept, advances,
36 loans, grants, contributions and any other form of financial assistance
37 from the federal government, the state, county, or other public body,
38 or from any sources, public or private, for the purposes of this
39 chapter, and to enter into and carry out contracts in connection

1 therewith. A municipality may include in any application or contract
2 for financial assistance with the federal government for ~~((an urban))~~
3 a community renewal project such conditions imposed pursuant to federal
4 laws as the municipality may deem reasonable and appropriate and which
5 are not inconsistent with the purposes of this chapter.

6 ~~((+6+))~~ (9) Within the municipality, to make or have made all plans
7 necessary to the carrying out of the purposes of this chapter and to
8 contract with any person, public or private, in making and carrying out
9 such plans and to adopt or approve, modify, and amend such plans. Such
10 plans may include, without limitation: (a) A comprehensive plan or
11 parts thereof for the locality as a whole, (b) ~~((urban))~~ community
12 renewal plans, (c) plans for carrying out a program of voluntary or
13 compulsory repair and rehabilitation of buildings and improvements, (d)
14 plans for the enforcement of state and local laws, codes, and
15 regulations relating to the use of land and the use and occupancy of
16 buildings and improvements and to the compulsory repair,
17 rehabilitation, demolition, or removal of buildings and improvements,
18 ~~((and))~~ (e) appraisals, title searches, surveys, studies, and other
19 preliminary plans and work necessary to prepare for the undertaking of
20 ~~((urban))~~ community renewal projects, and (f) plans to provide
21 financial or technical assistance to a person or public body for the
22 purpose of creating or retaining jobs, a substantial portion of which,
23 as determined by the municipality, shall be for persons of low income.
24 The municipality is authorized to develop, test, and report methods and
25 techniques, and carry out demonstrations and other activities, for the
26 prevention and the elimination of ~~((urban))~~ blight, for job creation or
27 retention activities, and to apply for, accept, and utilize grants of,
28 funds from the federal government for such purposes.

29 ~~((+7+))~~ (10) To prepare plans for the relocation of families
30 displaced from ~~((an urban))~~ a community renewal area, and to coordinate
31 public and private agencies in such relocation, including requesting
32 such assistance for this purpose as is available from other private and
33 governmental agencies, both for the municipality and other parties.

34 ~~((+8+))~~ (11) To appropriate such funds and make such expenditures
35 as may be necessary to carry out the purposes of this chapter, and in
36 accordance with state law: (a) Levy taxes and assessments for such
37 purposes; (b) acquire land either by negotiation ~~((and/or))~~ or eminent
38 domain, or both; (c) close, vacate, plan, or replan streets, roads,
39 sidewalks, ways, or other places; (d) plan or replan, zone or rezone

1 any part of the municipality; (e) adopt annual budgets for the
2 operation of ((an urban)) a community renewal agency, department, or
3 offices vested with ((urban)) community renewal project powers under
4 RCW 35.81.150; and (f) enter into agreements with such agencies or
5 departments (which agreements may extend over any period) respecting
6 action to be taken by such municipality pursuant to any of the powers
7 granted by this chapter.

8 ((+9)) (12) Within the municipality, to organize, coordinate, and
9 direct the administration of the provisions of this chapter as they
10 apply to such municipality in order that the objective of remedying
11 blighted areas and preventing the causes thereof within such
12 municipality may be most effectively promoted and achieved, and to
13 establish such new office or offices of the municipality or to
14 reorganize existing offices in order to carry out such purpose most
15 effectively.

16 ((+10)) (13) To contract with a person or public body to assist in
17 carrying out the purposes of this chapter.

18 (14) To exercise all or any part or combination of powers herein
19 granted.

20 **Sec. 8.** RCW 35.81.080 and 1965 c 7 s 35.81.080 are each amended to
21 read as follows:

22 A municipality shall have the right to acquire by condemnation, in
23 accordance with the procedure provided for condemnation by such
24 municipality for other purposes, any interest in real property, which
25 it may deem necessary for ((an urban)) a community renewal project
26 under this chapter after the adoption by the local governing body of a
27 resolution declaring that the acquisition of the real property
28 described therein is necessary for such purpose. Condemnation for
29 ((urban)) community renewal of blighted areas is declared to be a
30 public use, and property already devoted to any other public use or
31 acquired by the owner or ((his)) a predecessor in interest by eminent
32 domain may be condemned for the purposes of this chapter.

33 The award of compensation for real property taken for such a
34 project shall not be increased by reason of any increase in the value
35 of the real property caused by the assembly, clearance, or
36 reconstruction, or proposed assembly, clearance, or reconstruction in
37 the project area. No allowance shall be made for the improvements
38 begun on real property after notice to the owner of such property of

1 the institution of proceedings to condemn such property. Evidence
2 shall be admissible bearing upon the insanitary, unsafe, or substandard
3 condition of the premises, or the unlawful use thereof.

4 **Sec. 9.** RCW 35.81.090 and 1965 c 7 s 35.81.090 are each amended to
5 read as follows:

6 (1) A municipality may acquire real property, or any interest
7 therein, for the purposes of a community renewal project (a) prior to
8 the selection of one or more persons interested in undertaking to
9 redevelop or rehabilitate the real property, or (b) after the selection
10 of one or more persons interested in undertaking to redevelop or
11 rehabilitate such real property. In either case the municipality may
12 select a redeveloper through a competitive bidding process consistent
13 with this section or through a process consistent with section 10 of
14 this act.

15 (2) A municipality may sell, lease, or otherwise transfer real
16 property or any interest therein acquired by it for ((~~an urban~~)) a
17 community renewal project, in ((~~an urban~~)) a community renewal area for
18 residential, recreational, commercial, industrial, or other uses or for
19 public use, and may enter into contracts with respect thereto, or may
20 retain such a property or interest only for parks and recreation,
21 education, public utilities, public transportation, public safety,
22 health, highways, streets, and alleys, administrative buildings, or
23 civic centers, in accordance with the ((~~urban~~)) community renewal
24 project plan, subject to such covenants, conditions, and restrictions,
25 including covenants running with the land, as it may deem to be
26 necessary or desirable to assist in preventing the development or
27 spread of blighted areas or otherwise to carry out the purposes of this
28 chapter((~~:- PROVIDED, That~~)). However, such a sale, lease, other
29 transfer, or retention, and any agreement relating thereto, may be made
30 only after the approval of the ((~~urban~~)) community renewal plan by the
31 local governing body. The purchasers or lessees and their successors
32 and assigns shall be obligated to devote ((~~such~~)) the real property
33 only to the uses specified in the ((~~urban~~)) community renewal plan, and
34 may be obligated to comply with ((~~such~~)) any other requirements as the
35 municipality may determine to be in the public interest, including the
36 obligation to begin and complete, within a reasonable time, any
37 improvements on ((~~such~~)) the real property required by the ((~~urban~~))
38 community renewal plan or promised by the transferee. ((~~Such~~)) The

1 real property or interest shall be sold, leased, or otherwise
2 transferred(~~(, or retained at not less than its fair value for uses in~~
3 ~~accordance with the urban renewal plan))~~ for the consideration the
4 municipality determines adequate. In determining the (~~(fair value of~~
5 ~~real property for uses in accordance with the urban renewal plan))~~
6 adequacy of consideration, a municipality (~~(shall)~~) may take into
7 account(~~(, and give consideration to,)~~) the uses (~~(provided in such)~~)
8 permitted under the community renewal plan; the restrictions upon, and
9 the covenants, conditions, and obligations assumed by, the (~~(purchaser~~
10 ~~or lessee or by the municipality retaining the property))~~ transferee;
11 and the public benefits to be realized, including furthering of the
12 objectives of ((such)) the plan for the prevention of the recurrence of
13 blighted areas.

14 (3) The municipality in any instrument of conveyance to a private
15 purchaser or lessee may provide that (~~(such))~~ the purchaser or lessee
16 shall be without power to sell, lease, or otherwise transfer the real
17 property, or to permit changes in ownership or control of a purchaser
18 or lessee that is not a natural person, in each case without the prior
19 written consent of the municipality until ((he)) the purchaser or
20 lessee has completed the construction of ((any and)) all improvements
21 ((which he)) that it has obligated ((himself)) itself to construct
22 thereon. The municipality may also retain the right, upon any earlier
23 transfer or change in ownership or control without consent; or any
24 failure or change in ownership or control without consent; or any
25 failure to complete the improvements within the time agreed to
26 terminate the transferee's interest in the property; or to retain or
27 collect on any deposit or instrument provided as security, or both.
28 The enforcement of these restrictions and remedies is declared to be
29 consistent with the public policy of this state. Real property
30 acquired by a municipality ((which)) that, in accordance with the
31 provisions of the ((urban)) community renewal plan, is to be
32 transferred, shall be transferred as rapidly as feasible, in the public
33 interest, consistent with the carrying out of the provisions of the
34 ((urban)) community renewal plan. The inclusion in any ((such))
35 contract or conveyance to a purchaser or lessee of any ((such))
36 covenants, restrictions, or conditions (including the incorporation by
37 reference therein of the provisions of ((an urban)) a community renewal
38 plan or any part thereof) shall not prevent the recording of such a
39 contract or conveyance in the land records of the auditor or the county

1 in which ~~((such))~~ the city or town is located, in ~~((such))~~ a manner
2 ~~((as to))~~ that affords actual or constructive notice thereof.

3 ~~((+2))~~ (4)(a)(i) A municipality may dispose of real property in
4 ~~((an urban))~~ a community renewal area, acquired by the municipality
5 under this chapter, to any private persons only under ~~((such))~~ those
6 reasonable competitive bidding procedures as it shall prescribe, or by
7 competitive bidding as ~~((hereinafter))~~ provided in this subsection,
8 through direct negotiation where authorized under (c) of this
9 subsection, or by a process authorized in section 10 of this act.

10 (ii) A competitive bidding process may occur (A) prior to the
11 purchase of the real property by the municipality, or (B) after the
12 purchase of the real property by the municipality.

13 (b)(i) A municipality may, by public notice by publication once
14 each week for three consecutive weeks in a newspaper having a general
15 circulation in the community, prior to the execution of any contract or
16 deed to sell, lease, or otherwise transfer real property and prior to
17 the delivery of any instrument of conveyance with respect thereto under
18 the provisions of this section, invite bids from, and make available
19 all pertinent information to, private redevelopers or any persons
20 interested in undertaking to redevelop or rehabilitate ~~((an urban))~~ a
21 community renewal area, or any part thereof. ~~((Such))~~ This notice
22 shall identify the area, or portion thereof, and shall state that
23 ~~((such))~~ further information as is available may be obtained at
24 ~~((such))~~ the office as shall be designated in ~~((said))~~ the notice.

25 (ii) The municipality shall consider all responsive redevelopment
26 or rehabilitation bids and the financial and legal ability of the
27 persons making ~~((such))~~ the bids to carry them out. The municipality
28 may accept ~~((such))~~ the bids as it deems to be in the public interest
29 and in furtherance of the purposes of this chapter. Thereafter, the
30 municipality may execute, in accordance with the provisions of
31 subsection ~~((+1))~~ (2) of this section, and deliver contracts, deeds,
32 leases, and other instruments of transfer.

33 ~~((+3))~~ (c) If the municipality determines that the sale of real
34 property to a specific person is necessary to the success of a
35 neighborhood revitalization or community renewal project for which the
36 municipality is providing assistance to a nonprofit organization from
37 federal community development block grant funds under 42 U.S.C. Sec.
38 5305(a)(15), or successor provision, under a plan or grant application
39 approved by the United States department of housing and urban

1 development, or successor agency, then the municipality may sell or
2 lease that property to that person through direct negotiation, for
3 consideration determined by the municipality to be adequate consistent
4 with subsection (2) of this section. This direct negotiation may
5 occur, and the municipality may enter into an agreement for sale or
6 lease, either before or after the acquisition of the property by the
7 municipality. Unless the municipality has provided notice to the
8 public of the intent to sell or lease the property by direct
9 negotiation, as part of a citizen participation process adopted under
10 federal regulations for the plan or grant application under which the
11 federal community development block grant funds have been awarded, the
12 municipality shall publish notice of the sale at least fifteen days
13 prior to the conveyance of the property.

14 (5) A municipality may operate and maintain real property acquired
15 in (~~(an urban))~~ a community renewal area for a period of three years
16 pending the disposition of the property for redevelopment, without
17 regard to the provisions of subsection (~~((1) above))~~ (2) of this
18 section, for such uses and purposes as may be deemed desirable even
19 though not in conformity with the (~~(urban))~~ community renewal plan(~~(+~~
20 ~~PROVIDED, That))~~). However, the municipality may, after a public
21 hearing, extend the time for a period not to exceed three years.

22 (6) Any covenants, restrictions, promises, undertakings, releases,
23 or waivers in favor of a municipality contained in any deed or other
24 instrument accepted by any transferee of property from the municipality
25 or community renewal agency under this chapter, or contained in any
26 document executed by any owner of property in a community renewal area,
27 shall run with the land to the extent provided in the deed, instrument,
28 or other document, so as to bind, and be enforceable by the
29 municipality against, the person accepting or making the deed,
30 instrument, or other document and that person's heirs, successors in
31 interest, or assigns having actual or constructive notice thereof.

32 NEW SECTION. Sec. 10. A new section is added to chapter 35.81 RCW
33 to read as follows:

34 (1) The process authorized under this section may occur (a) prior
35 to the purchase of the real property by the municipality, or (b) after
36 the purchase of the real property by the municipality.

37 (2) A municipality may, by public notice once each week for three
38 consecutive weeks in a legal newspaper in the municipality, or prior to

1 the execution of any contract or deed to sell, lease, or otherwise
2 transfer real property and prior to the delivery of any instrument of
3 conveyance with respect thereto under the provisions of this section,
4 invite statements of interest and qualifications and, at the
5 municipality's option, proposals from any persons interested in
6 undertaking to redevelop or rehabilitate the real property.

7 (3) The notice required under this section shall identify the area,
8 or portion thereof, the process the municipality will use to evaluate
9 qualifications and, if applicable, proposals submitted by redevelopers
10 or any persons, and other information relevant to the community renewal
11 project. The notice shall also state that further information, as is
12 available, may be obtained at the offices designated in the notice.

13 (4)(a) Based on its evaluation of qualifications and, if
14 applicable, proposals, the municipality may select a proposer with whom
15 to negotiate or may select two or more finalists to submit proposals,
16 or to submit more detailed or revised proposals. The municipality may,
17 in its sole discretion, reject all responses or proposals, amend any
18 solicitation to allow modification or supplementation of qualifications
19 or proposals, or waive irregularities in the content or timing of any
20 qualifications or proposals.

21 (b) The municipality may initiate negotiations with the person
22 selected on the basis of qualifications or proposals. If the
23 municipality does not enter into a contract with that person, it may
24 (i) enter into negotiations with the person that submitted the next
25 highest ranked qualifications or proposal, (ii) solicit additional
26 proposals using a process permitted by RCW 35.81.090, or (iii)
27 otherwise dispose of or retain the real property consistent with the
28 provisions of this chapter. A municipality shall not be required to
29 select or enter into a contract with any proposer or to compensate any
30 proposer for the cost of preparing a proposal or negotiating with the
31 municipality.

32 (c) A municipality may select and enter into a contract with more
33 than one proposer to carry out different aspects or parts of a
34 community renewal plan.

35 **Sec. 11.** RCW 35.81.100 and 1983 c 167 s 64 are each amended to
36 read as follows:

37 (1) A municipality shall have the power to issue bonds from time to
38 time in its discretion to finance the undertaking of any ((urban))

1 community renewal project under this chapter, including, without
2 limiting the generality (~~thereof~~) of this power, the payment of
3 principal and interest upon any advances for surveys and plans for
4 (~~urban~~) community renewal projects, and shall also have power to
5 issue refunding bonds for the payment or retirement of such bonds
6 previously issued by it. Such bonds shall not pledge the general
7 credit of the municipality and shall be made payable, as to both
8 principal and interest, solely from the income, proceeds, revenues, and
9 funds of the municipality derived from, or held in connection with, its
10 undertaking and carrying out of (~~urban~~) community renewal projects
11 under this chapter(~~:- PROVIDED, That~~). However, the payment of such
12 bonds, both as to principal and interest, may be further secured by a
13 pledge of any loan, grant, or contribution from the municipality, the
14 federal government, or from other sources, in aid of any (~~urban~~)
15 community renewal projects of the municipality under this chapter.

16 (2) Bonds issued under this section shall not constitute an
17 indebtedness within the meaning of any constitutional or statutory debt
18 limitation or restriction, and shall not be subject to the provisions
19 of any other law or charter relating to the authorization, issuance, or
20 sale of bonds. Bonds issued under the provisions of this chapter are
21 declared to be issued for an essential public and governmental purpose,
22 and together with interest thereon and income therefrom, shall be
23 exempted from all taxes.

24 (3) Bonds issued under this section shall be authorized by
25 resolution or ordinance of the local governing body and may be issued
26 in one or more series and shall bear such date or dates, be payable
27 upon demand or mature at such time or times, bear interest at such rate
28 or rates, be in such denomination or denominations, be in such form
29 either coupon or registered as provided in RCW 39.46.030, carry such
30 conversion or registration privileges, have such rank or priority, be
31 executed in such manner, be payable in such medium of payment, at such
32 place or places, and be subject to such terms of redemption (with or
33 without premium), be secured in such manner, and have such other
34 characteristics, as may be provided by such resolution or trust
35 indenture or mortgage issued pursuant thereto.

36 (4) Such bonds may be sold at not less than ninety-eight percent of
37 par at public or private sale, or may be exchanged for other bonds on
38 the basis of par: PROVIDED, That such bonds may be sold to the federal
39 government at private sale at not less than par and, in the event less

1 than all of the authorized principal amount of such bonds is sold to
2 the federal government, the balance may be sold at public or private
3 sale at not less than ninety-eight percent of par at an interest cost
4 to the municipality of not to exceed the interest cost to the
5 municipality of the portion of the bonds sold to the federal
6 government.

7 (5)(a) The municipality may annually pay into a fund to be
8 established for the benefit of such bonds any and all excess of the
9 taxes received by it from the same property over and above the average
10 of the annual taxes authorized without vote for a five-year period
11 immediately preceding the acquisition of the property by the
12 municipality for renewal purposes, such payment to continue until such
13 time as all bonds payable from the fund are paid in full. Any other
14 taxing unit (~~((in a municipality))~~) that receives property tax revenues
15 from property in the community renewal area is authorized to allocate
16 ((a like amount of such)) excess taxes, computed in the same manner, to
17 the municipality or municipalities in which it is situated.

18 (b) In addition to the excess property tax revenues from property
19 in the community renewal area, authorized in this subsection, the
20 municipality may annually pay into the fund, established in this
21 subsection, any and all excess of the excise tax received by it from
22 business activity in the community renewal area over and above the
23 average of the annual excise tax collected for a five-year period
24 immediately preceding the establishment of a community renewal area.
25 The payment may continue until all the bonds payable from the fund are
26 paid in full. Any other taxing unit that receives excise tax from
27 business activity in the community renewal area is authorized to
28 allocate excess excise tax, computed in the same manner, to the
29 municipality or municipalities in which it is situated. As used in
30 this subsection, "excise tax" means a local retail sales and use tax
31 authorized in chapter 82.14 RCW. The legislature declares that it is
32 a proper purpose of a municipality to allocate an excise tax for
33 purposes of a community renewal project under this chapter.

34 (6) In case any of the public officials of the municipality whose
35 signatures appear on any bonds or any coupons issued under this chapter
36 shall cease to be such officials before the delivery of such bonds,
37 such signatures shall, nevertheless, be valid and sufficient for all
38 purposes, the same as if such officials had remained in office until
39 such delivery. Any provision of any law to the contrary

1 notwithstanding, any bonds, issued pursuant to this chapter shall be
2 fully negotiable.

3 (7) In any suit, action, or proceeding involving the validity or
4 enforceability of any bond issued under this chapter or the security
5 therefor, any such bond reciting in substance that it has been issued
6 by the municipality in connection with ~~((an urban))~~ a community renewal
7 project, as herein defined, shall be conclusively deemed to have been
8 issued for such purpose and such project shall be conclusively deemed
9 to have been planned, located, and carried out in accordance with the
10 provisions of this chapter.

11 (8) Notwithstanding subsections (1) through (7) of this section,
12 such bonds may be issued and sold in accordance with chapter 39.46 RCW.

13 **Sec. 12.** RCW 35.81.110 and 1965 c 7 s 35.81.110 are each amended
14 to read as follows:

15 All banks, trust companies, bankers, savings banks and
16 institutions, building and loan associations, savings and loan
17 associations, investment companies, and other persons carrying on a
18 banking or investment business, all insurance companies, insurance
19 associations, and other persons carrying on an insurance business and
20 all executors, administrators, curators, trustees, and other
21 fiduciaries, may legally invest any sinking funds, moneys, or other
22 funds belonging to them or within their control in any bonds or other
23 obligations issued by a municipality ~~((pursuant to))~~ under this
24 chapter ~~((: PROVIDED, That such bonds and other obligations shall be
25 secured by an agreement between the issuer and the federal government
26 in which the issuer agrees to borrow from the federal government and
27 the federal government agrees to lend to the issuer, prior to the
28 maturity of such bonds or other obligations, moneys in an amount which
29 (together with any other moneys irrevocably committed to the payment of
30 interest on such bonds or other obligations) will suffice to pay the
31 principal of such bonds or other obligations with interest to maturity
32 thereon, which moneys under the terms of said agreement are required to
33 be used for the purpose of paying the principal of, and the interest
34 on, such bonds or other obligations at their maturity))~~). Such bonds
35 and other obligations shall be authorized security for all public
36 deposits. It is the purpose of this section to authorize any persons,
37 political subdivisions, and officers, public or private, to use any
38 funds owned or controlled by them for the purchase of any such bonds or

1 other obligations. Nothing contained in this section with regard to
2 legal investments shall be construed as relieving any person of any
3 duty of exercising reasonable care in selecting securities.

4 NEW SECTION. **Sec. 13.** A new section is added to chapter 35.81 RCW
5 to read as follows:

6 (1) A community renewal agency may establish local improvement
7 districts within the community renewal area, and levy special
8 assessments, in annual installments extending over a period not
9 exceeding twenty years on all property specially benefited by the local
10 improvement, on the basis of special benefits, to pay in whole or in
11 part the damages or costs of the local improvement, and issue local
12 improvement bonds to be paid from local improvement assessments. The
13 formation of the local improvement districts, the determination, levy,
14 and collection of such assessments, and the issuance of such bonds
15 shall be as provided for the formation of local improvement districts,
16 the determination, levy, and collection of local improvement
17 assessments, and the issuance of local improvement bonds by cities and
18 towns, insofar as consistent with this chapter. These bonds may be in
19 any form, including bearer bonds or registered bonds as provided in RCW
20 39.46.030.

21 (2) Notwithstanding subsection (1) of this section, the bonds
22 authorized under subsection (1) of this section may be issued and sold
23 in accordance with chapter 39.46 RCW.

24 NEW SECTION. **Sec. 14.** A new section is added to chapter 35.81 RCW
25 to read as follows:

26 Any notice given to the public or to the owners of specific lots,
27 tracts, or parcels of land relating to the formation of a local
28 improvement district created under section 13 of this act shall contain
29 a statement that actual assessments may vary from assessment estimates
30 so long as they do not exceed a figure equal to the increased benefit
31 the improvement adds to the property.

32 **Sec. 15.** RCW 35.81.120 and 1965 c 7 s 35.81.120 are each amended
33 to read as follows:

34 (1) All property of a municipality, including funds, owned or held
35 by it for the purposes of this chapter, shall be exempt from levy and
36 sale by virtue of an execution, and no execution or other judicial

1 process shall issue against the same nor shall judgment against a
2 municipality be a charge or lien upon such property: PROVIDED, That
3 the provisions of this section shall not apply to, or limit the right
4 of, obligees to pursue any remedies for the enforcement of any pledge
5 or lien given pursuant to this chapter by a municipality on its rents,
6 fees, grants, or revenues from ((urban)) community renewal projects.

7 (2) The property of a municipality, acquired or held for the
8 purposes of this chapter, is declared to be public property used for
9 essential public and governmental purposes and such property shall be
10 exempt from all taxes of the municipality, the county, the state, or
11 any political subdivision thereof: PROVIDED, That such tax exemption
12 shall terminate when the municipality sells, leases, or otherwise
13 disposes of such property in ((an urban)) a community renewal area to
14 a purchaser or lessee ((which)) that is not a public body or other
15 organization normally entitled to tax exemption with respect to such
16 property.

17 **Sec. 16.** RCW 35.81.130 and 1965 c 7 s 35.81.130 are each amended
18 to read as follows:

19 ((+1)) For the purpose of aiding in the planning, undertaking, or
20 carrying out of ((an urban)) a community renewal project located within
21 the area in which it is authorized to act, any public body authorized
22 by law or by this chapter, may, upon such terms, with or without
23 consideration, as it may determine: ((+a)) (1) Dedicate, sell,
24 convey, or lease any of its interest in any property, or grant
25 easements, licenses, or other rights or privileges therein to a
26 municipality or other public body; ((+b)) (2) incur the entire expense
27 of any public improvements made by ((such)) a public body, in
28 exercising the powers granted in this section; ((+c)) (3) do any and
29 all things necessary to aid or cooperate in the planning or carrying
30 out of ((an urban)) a community renewal plan; ((+d)) (4) lend, grant,
31 or contribute funds, including without limitation any funds derived
32 from bonds issued or other borrowings authorized in this chapter, to a
33 municipality or other public body and, subject only to any applicable
34 constitutional limits, to any other person; ((+e)) (5) enter into
35 agreements (which may extend over any period, notwithstanding any
36 provision or rule of law to the contrary) with a municipality or other
37 public body respecting action to be taken pursuant to any of the powers
38 granted by this chapter, including the furnishing of funds or other

1 assistance in connection with ~~((an urban))~~ a community renewal
2 project(~~(, and (f))~~); (6) cause public building and public facilities,
3 including parks, playgrounds, recreational, community, educational,
4 water, sewer, or drainage facilities, or any other works ~~((which))~~ that
5 it is otherwise empowered to undertake to be furnished; furnish,
6 dedicate, close, vacate, pave, install, grade, regrade, plan, or replan
7 streets, roads, sidewalks, ways, or other places; (7) abate
8 environmental problems; (8) plan or replan, zone or rezone any part of
9 the ~~((urban))~~ community renewal area; and (9) provide such
10 administrative and other services as may be deemed requisite to the
11 efficient exercise of the powers herein granted.

12 ~~((2) Any sale, conveyance, lease, or agreement provided for in
13 this section shall be made by a public body with appraisal, public
14 notice, advertisement, or public bidding in accordance with the
15 provisions of RCW 35.81.090(2).))~~

16 **Sec. 17.** RCW 35.81.150 and 1965 c 7 s 35.81.150 are each amended
17 to read as follows:

18 (1) A municipality may itself exercise its ~~((urban))~~ community
19 renewal project powers ~~((as herein defined))~~ or may, if the local
20 governing body by ordinance or resolution determines such action to be
21 in the public interest, elect to have such powers exercised by the
22 ~~((urban))~~ community renewal agency ~~((created by RCW 35.81.160))~~ or a
23 department or other officers of the municipality or by any ~~((existing))~~
24 other public body ~~((corporate, as they are authorized to exercise under
25 this chapter))~~.

26 (2) In the event the local governing body ~~((makes such
27 determination))~~ determines to have the powers exercised by the
28 community renewal agency, such body may authorize the ~~((urban))~~
29 community renewal agency or department or other officers of the
30 municipality to exercise any of the following ~~((urban))~~ community
31 renewal project powers:

32 (a) To formulate and coordinate a workable program as specified in
33 RCW 35.81.040.

34 (b) To prepare ~~((urban))~~ community renewal plans.

35 (c) To prepare recommended modifications to ~~((an urban))~~ a
36 community renewal project plan.

37 (d) To undertake and carry out ~~((urban))~~ community renewal projects
38 as required by the local governing body.

1 (e) To acquire, own, lease, encumber, and sell real or personal
2 property. The agency may not acquire real or personal property using
3 the eminent domain process, unless authorized independently of this
4 chapter.

5 (f) To create local improvement districts under sections 13 and 14
6 of this act.

7 (g) To issue bonds from time to time in its discretion to finance
8 the undertaking of any community renewal project under this chapter.
9 The bonds issued under this section must meet the requirements of RCW
10 35.81.100.

11 (h) To make and execute contracts as specified in RCW 35.81.070,
12 with the exception of contracts for the purchase or sale of real or
13 personal property.

14 (~~(f)~~) (i) To disseminate blight clearance and (~~(urban)~~) community
15 renewal information.

16 (~~(g)~~) (j) To exercise the powers prescribed by RCW 35.81.070(2),
17 except the power to agree to conditions for federal financial
18 assistance and imposed pursuant to federal law relating to salaries and
19 wages, shall be reserved to the local governing body.

20 (~~(h)~~) (k) To enter any building or property, in any (~~(urban)~~)
21 community renewal area, in order to make surveys and appraisals in the
22 manner specified in RCW 35.81.070(~~(3)~~) (6).

23 (~~(i)~~) (l) To improve, clear, or prepare for redevelopment any
24 real or personal property in (~~(an urban)~~) a community renewal area.

25 (~~(j)~~) (m) To insure real or personal property as provided in RCW
26 35.81.070(~~(3)~~) (6).

27 (~~(k)~~) (n) To effectuate the plans provided for in RCW
28 35.81.070(~~(6)~~) (9).

29 (~~(l)~~) (o) To prepare plans for the relocation of families
30 displaced from (~~(an urban)~~) a community renewal area and to coordinate
31 public and private agencies in such relocation.

32 (~~(m)~~) (p) To prepare plans for carrying out a program of
33 voluntary or compulsory repair and rehabilitation of buildings and
34 improvements.

35 (~~(n)~~) (q) To conduct appraisals, title searches, surveys,
36 studies, and other preliminary plans and work necessary to prepare for
37 the undertaking of (~~(urban)~~) community renewal projects.

38 (~~(o)~~) (r) To negotiate for the acquisition of land.

1 (~~(p)~~) (s) To study the closing, vacating, planning, or replanning
2 of streets, roads, sidewalks, ways, or other places and to make
3 recommendations with respect thereto.

4 (~~(q)~~) (t) To provide financial and technical assistance to a
5 person or public body, for the purpose of creating or retaining jobs,
6 a substantial portion of which, as determined by the municipality,
7 shall be for persons of low income.

8 (u) To make payments, grants, and other assistance to, or contract
9 with, existing or new owners and tenants of property in the community
10 renewal area, under RCW 35.81.070.

11 (v) To organize, coordinate, and direct the administration of the
12 provisions of this chapter.

13 (~~(r)~~) (w) To perform such duties as the local governing body may
14 direct so as to make the necessary arrangements for the exercise of the
15 powers and the performance of the duties and responsibilities entrusted
16 to the local governing body.

17 Any powers granted in this chapter that are not included in (~~RCW~~
18 ~~35.81.150(2)~~) this subsection (2) as powers of the (~~urban~~) community
19 renewal agency or a department or other officers of a municipality in
20 lieu thereof(~~(7)~~) may only be exercised by the local governing body or
21 other officers, boards, and commissions as provided (~~(under existing)~~)
22 by law.

23 **Sec. 18.** RCW 35.81.160 and 1965 c 7 s 35.81.160 are each amended
24 to read as follows:

25 (1) When a municipality has made the finding prescribed in RCW
26 35.81.050 and has elected to have the (~~urban~~) community renewal
27 project powers, as specified in RCW 35.81.150, exercised, such
28 (~~urban~~) community renewal project powers may be assigned to a
29 department or other officers of the municipality or to any existing
30 public body corporate, or the legislative body of a (~~city~~)
31 municipality may create (~~(an urban)~~) a community renewal agency in such
32 municipality to be known as a public body corporate to which such
33 powers may be assigned.

34 (2) If the (~~urban~~) community renewal agency is authorized to
35 transact business and exercise powers (~~(hereunder)~~) under this chapter,
36 the mayor, by and with the advice and consent of the local governing
37 body, shall appoint a board of commissioners of the (~~urban~~) community
38 renewal agency which shall consist of five commissioners. The initial

1 membership shall consist of one commissioner appointed for one year,
2 one for two years, one for three years, and two for four years; and
3 each appointment thereafter shall be for four years, except that in the
4 case of death, incapacity, removal, or resignation of a commissioner,
5 the replacement may be appointed to serve the remainder of the
6 commissioner's term.

7 (3) A commissioner shall receive no compensation for ~~((his))~~
8 services but shall be entitled to the necessary expenses, including
9 traveling expenses, incurred in the discharge of his or her duties.
10 Each commissioner shall hold office until ~~((his))~~ a successor has been
11 appointed and has qualified. A certificate of the appointment or
12 reappointment of any commissioner shall be filed with the clerk of the
13 municipality and such certificate shall be conclusive evidence of the
14 due and proper appointment of such commissioner.

15 The powers and responsibilities of ~~((an urban))~~ a community renewal
16 agency shall be exercised by the commissioners thereof. A majority of
17 the commissioners shall constitute a quorum for the purpose of
18 conducting business and exercising the powers and responsibilities of
19 the agency and for all other purposes. Action may be taken by the
20 agency upon a vote of a majority of the commissioners present, unless
21 in any case the bylaws shall require a larger number. Any persons may
22 be appointed as commissioners if they reside within the municipality.

23 The ~~((urban))~~ community renewal agency or department or officers
24 exercising ~~((urban))~~ community renewal project powers shall be staffed
25 with the necessary technical experts and such other agents and
26 employees, permanent and temporary, as it may require. An agency
27 authorized to transact business and exercise powers under this chapter
28 shall file, with the local governing body, on or before March 31st of
29 each year, a report of its activities for the preceding calendar year,
30 which report shall include a complete financial statement setting forth
31 its assets, liabilities, income, and operating expense as of the end of
32 such calendar year. At the time of filing the report, the agency shall
33 publish in a legal newspaper ~~((of general circulation))~~ in the
34 community a notice to the effect that such report has been filed with
35 the municipality and that the report is available for inspection during
36 business hours in the office of the ~~((city))~~ clerk of the municipality
37 and in the office of the agency.

1 (4) For inefficiency, neglect of duty, or misconduct in office, a
2 commissioner may be removed by the legislative body of the
3 municipality.

4 **Sec. 19.** RCW 35.81.170 and 1965 c 7 s 35.81.170 are each amended
5 to read as follows:

6 For all of the purposes of this chapter, no person shall, because
7 of race, creed, color, sex, or national origin, be subjected to any
8 discrimination.

9 **Sec. 20.** RCW 35.81.180 and 1965 c 7 s 35.81.180 are each amended
10 to read as follows:

11 No ~~((public))~~ official~~((_))~~ or department or division head of a
12 municipality or ~~((urban))~~ community renewal agency or department or
13 officers ~~((which have been vested by a municipality with urban))~~ with
14 responsibility for making or supervising any decisions in the exercise
15 of community renewal project powers and responsibilities under RCW
16 35.81.150~~((_))~~ shall voluntarily acquire any interest, direct or
17 indirect, in any ~~((urban))~~ community renewal project, or in any
18 property included or planned to be included in any ~~((urban))~~ community
19 renewal project of such municipality, or in any contract or proposed
20 contract in connection with such ~~((urban))~~ community renewal project.
21 ~~((Where))~~ Whether or not such an acquisition is ~~((not))~~ voluntary, the
22 ~~((interest acquired))~~ person acquiring it shall ~~((be))~~ immediately
23 ~~((disclosed))~~ disclose the interest acquired in writing to the local
24 governing body and such disclosure shall be entered upon the minutes of
25 the governing body. If any such official~~((_))~~ or department or
26 division head owns or controls, or owned or controlled within two years
27 prior to the date of the first public hearing on the ~~((urban))~~
28 community renewal project, any interest, direct or indirect, in any
29 property ~~((which))~~ that he or she knows is included in ~~((an urban))~~ a
30 community renewal project, he or she shall immediately disclose this
31 fact in writing to the local governing body, and such disclosure shall
32 be entered upon the minutes of the governing body, and any such
33 official~~((_))~~ or department or division head shall not participate in
34 any action on that particular project by the municipality or ~~((urban))~~
35 community renewal agency~~((, department, or officers which have been~~
36 ~~vested with urban renewal project powers by the municipality pursuant~~
37 ~~to the provisions of RCW 35.81.150. A majority of the commissioners of~~

1 ~~an urban renewal agency exercising powers pursuant to this chapter~~
2 ~~shall not hold any other public office under the municipality other~~
3 ~~than their commissionership or office with respect to such urban~~
4 ~~renewal agency, department, or officers)). Any willful violation of~~
5 the provisions of this section shall constitute misconduct in office.

6 **Sec. 21.** RCW 35.81.910 and 1965 c 7 s 35.81.910 are each amended
7 to read as follows:

8 This chapter shall be known and may be cited as the "~~((Urban))~~
9 Community Renewal Law."

10 **Sec. 22.** RCW 35.82.070 and 1993 c 478 s 17 are each amended to
11 read as follows:

12 An authority shall constitute a public body corporate and politic,
13 exercising public and essential governmental functions, and having all
14 the powers necessary or convenient to carry out and effectuate the
15 purposes and provisions of this chapter, including the following powers
16 in addition to others herein granted:

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

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

1 deems appropriate to assure the achievement of the objectives of this
2 chapter.

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

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

16 (5) To lease or rent any dwellings, houses, accommodations, lands,
17 buildings, structures or facilities embraced in any housing project and
18 (subject to the limitations contained in this chapter) to establish and
19 revise the rents or charges therefor; to own or manage buildings
20 containing a housing project or projects as well as commercial space or
21 other dwelling units that do not constitute a housing project as that
22 term is defined in this chapter(~~(:—PROVIDED, That))~~). However,
23 notwithstanding the provisions under subsection (1) of this section,
24 dwelling units made available or sold to persons of low income,
25 together with functionally related and subordinate facilities, shall
26 occupy at least fifty percent of the interior space in the total
27 development owned by the authority or at least fifty percent of the
28 total number of units in the development owned by the authority,
29 whichever produces the greater number of units for persons of low
30 income, and for mobile home parks, the mobile home lots made available
31 to persons of low income shall be at least fifty percent of the total
32 number of mobile home lots in the park owned by the authority; to own,
33 hold, and improve real or personal property; to purchase, lease, obtain
34 options upon, acquire by gift, grant, bequest, devise, or otherwise
35 including financial assistance and other aid from the state or any
36 public body, person or corporation, any real or personal property or
37 any interest therein; to acquire by the exercise of the power of
38 eminent domain any real property; to sell, lease, exchange, transfer,
39 assign, pledge, or dispose of any real or personal property or any

1 interest therein; to sell, lease, exchange, transfer, or dispose of any
2 real or personal property or interest therein at less than fair market
3 value to a governmental entity for any purpose when such action assists
4 the housing authority in carrying out its powers and purposes under
5 this chapter, to a low-income person or family for the purpose of
6 providing housing for that person or family, or to a nonprofit
7 corporation provided the nonprofit corporation agrees to sell the
8 property to a low-income person or family or to use the property for
9 the provision of housing for persons of low income for at least twenty
10 years; to insure or provide for the insurance of any real or personal
11 property or operations of the authority against any risks or hazards;
12 to procure or agree to the procurement of insurance or guarantees from
13 the federal government of the payment of any bonds or parts thereof
14 issued by an authority, including the power to pay premiums on any such
15 insurance.

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

22 (7) Within its area of operation: To investigate into living,
23 dwelling and housing conditions and into the means and methods of
24 improving such conditions; to determine where slum areas exist or where
25 there is a shortage of decent, safe and sanitary dwelling
26 accommodations for persons of low income; to make studies and
27 recommendations relating to the problem of clearing, replanning and
28 reconstructing of slum areas, and the problem of providing dwelling
29 accommodations for persons of low income, and to cooperate with the
30 city, the county, the state or any political subdivision thereof in
31 action taken in connection with such problems; and to engage in
32 research, studies and experimentation on the subject of housing.

33 (8) Acting through one or more commissioners or other person or
34 persons designated by the authority: To conduct examinations and
35 investigations and to hear testimony and take proof under oath at
36 public or private hearings on any matter material for its information;
37 to administer oaths, issue subpoenas requiring the attendance of
38 witnesses or the production of books and papers and to issue
39 commissions for the examination of witnesses who are outside of the

1 state or unable to attend before the authority, or excused from
2 attendance; to make available to appropriate agencies (including those
3 charged with the duty of abating or requiring the correction of
4 nuisances or like conditions, or of demolishing unsafe or insanitary
5 structures within its area of operation) its findings and
6 recommendations with regard to any building or property where
7 conditions exist which are dangerous to the public health, morals,
8 safety or welfare.

9 (9) To initiate eviction proceedings against any tenant as provided
10 by law. Activity occurring in any housing authority unit that
11 constitutes a violation of chapter 69.41, 69.50 or 69.52 RCW shall
12 constitute a nuisance for the purpose of RCW 59.12.030(5).

13 (10) To exercise all or any part or combination of powers herein
14 granted.

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

18 (11) To agree (notwithstanding the limitation contained in RCW
19 35.82.210) to make such payments in lieu of taxes as the authority
20 finds consistent with the achievement of the purposes of this chapter.

21 (12) Upon the request of a county or city, to exercise any powers
22 of ~~((an urban))~~ a community renewal agency under chapter 35.81 RCW or
23 a public corporation, commission, or authority under chapter 35.21 RCW.
24 ~~((However, in the exercise of any such powers the housing authority
25 shall be subject to any express limitations contained in this
26 chapter.))~~

27 (13) To exercise the powers granted in this chapter within the
28 boundaries of any city, town, or county not included in the area in
29 which such housing authority is originally authorized to function:
30 PROVIDED, HOWEVER, The governing or legislative body of such city,
31 town, or county, as the case may be, adopts a resolution declaring that
32 there is a need for the authority to function in such territory.

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

37 (15) To sell at public or private sale, with or without public
38 bidding, for fair market value, any mortgage or other obligation held
39 by the authority.

1 (16) To the extent permitted under its contract with the holders of
2 bonds, notes, and other obligations of the authority, to consent to any
3 modification with respect to rate of interest, time and payment of any
4 installment of principal or interest security, or any other term of any
5 contract, mortgage, mortgage loan, mortgage loan commitment, contract
6 or agreement of any kind to which the authority is a party.

7 (17) To make, purchase, participate in, invest in, take assignments
8 of, or otherwise acquire loans to persons of low income to enable them
9 to acquire, construct, reconstruct, rehabilitate, improve, lease, or
10 refinance their dwellings, and to take such security therefor as is
11 deemed necessary and prudent by the authority.

12 (18) To make, purchase, participate in, invest in, take assignments
13 of, or otherwise acquire loans for the acquisition, construction,
14 reconstruction, rehabilitation, improvement, leasing, or refinancing of
15 land, buildings, or developments for housing for persons of low income.
16 For purposes of this subsection, development shall include either land
17 or buildings or both.

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

37 (b) In addition, if the development is owned by a for-profit
38 entity, the dwelling units or mobile home lots required to be made
39 available to persons of low income shall be rented to persons whose

1 incomes do not exceed fifty percent of the area median income, adjusted
2 for household size, and shall have unit or lot rents that do not exceed
3 fifteen percent of area median income, adjusted for household size,
4 unless rent subsidies are provided to make them affordable to persons
5 of low income.

6 For purposes of this subsection (18)(b), if the development is
7 owned directly or through a partnership by a governmental entity or a
8 nonprofit organization, which nonprofit organization is itself not
9 controlled by a for-profit entity or affiliated with any for-profit
10 entity that a nonprofit organization itself does not control, it shall
11 not be treated as being owned by a for-profit entity when the
12 governmental entity or nonprofit organization exercises legal control
13 of the ownership entity and in addition, (i) the dwelling units or
14 mobile home lots required to be made available to persons of low income
15 are rented to persons whose incomes do not exceed sixty percent of the
16 area median income, adjusted for household size, and (ii) the
17 development is subject to an agreement that transfers ownership to the
18 governmental entity or nonprofit organization or extends an irrevocable
19 right of first refusal to purchase the development under a formula for
20 setting the acquisition price that is specified in the agreement.

21 (c) Commercial space in any building financed under this subsection
22 that exceeds four stories in height shall not constitute more than
23 twenty percent of the interior area of the building. Before financing
24 any development under this subsection the authority shall make a
25 written finding that financing is important for project feasibility or
26 necessary to enable the authority to carry out its powers and purposes
27 under this chapter.

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

32 **Sec. 23.** RCW 35.21.730 and 1985 c 332 s 1 are each amended to read
33 as follows:

34 In order to improve the administration of authorized federal grants
35 or programs, to improve governmental efficiency and services, or to
36 improve the general living conditions in the urban areas of the state,
37 any city, town, or county may by lawfully adopted ordinance or
38 resolution:

1 (1) Transfer to any public corporation, commission, or authority
2 created ((hereunder)) under this section, with or without
3 consideration, any funds, real or personal property, property
4 interests, or services;

5 (2) Organize and participate in joint operations or cooperative
6 organizations funded by the federal government when acting solely as
7 coordinators or agents of the federal government;

8 (3) Continue federally-assisted programs, projects, and activities
9 after expiration of contractual term or after expending allocated
10 federal funds as deemed appropriate to fulfill contracts made in
11 connection with such agreements or as may be proper to permit an
12 orderly readjustment by participating corporations, associations, or
13 individuals;

14 (4) Enter into contracts with public corporations, commissions, and
15 authorities for the purpose of exercising any powers of a community
16 renewal agency under chapter 35.81 RCW; and

17 (5) Create public corporations, commissions, and authorities to:
18 Administer and execute federal grants or programs; receive and
19 administer private funds, goods, or services for any lawful public
20 purpose; and perform any lawful public purpose or public function. The
21 ordinance or resolution shall limit the liability of such public
22 corporations, commissions, and authorities to the assets and properties
23 of such public corporation, commission, or authority in order to
24 prevent recourse to such cities, towns, or counties or their assets or
25 credit.

26 **Sec. 24.** RCW 35.21.745 and 1985 c 332 s 2 are each amended to read
27 as follows:

28 (1) Any city, town, or county which shall create a public
29 corporation, commission, or authority pursuant to RCW 35.21.730 or
30 35.21.660, shall provide for its organization and operations and shall
31 control and oversee its operation and funds in order to correct any
32 deficiency and to assure that the purposes of each program undertaken
33 are reasonably accomplished.

34 (2) Any public corporation, commission, or authority created as
35 provided in RCW 35.21.730 may be empowered to own and sell real and
36 personal property; to contract with a city, town, or county to conduct
37 community renewal activities under chapter 35.81 RCW; to contract with
38 individuals, associations, and corporations, and the state and the

1 United States; to sue and be sued; to loan and borrow funds and issue
2 bonds and other instruments evidencing indebtedness; transfer any
3 funds, real or personal property, property interests, or services; to
4 do anything a natural person may do; and to perform all manner and type
5 of community services(~~(:—PROVIDED, That such)~~). However, the public
6 corporation, commission, or authority shall have no power of eminent
7 domain nor any power to levy taxes or special assessments.

8 **Sec. 25.** RCW 35.57.020 and 1999 c 165 s 2 are each amended to read
9 as follows:

10 (1) A public facilities district is authorized to acquire,
11 construct, own, remodel, maintain, equip, reequip, repair, finance, and
12 operate one or more regional centers. For purposes of this chapter,
13 "regional center" means a convention, conference, or special events
14 center, or any combination of facilities, and related parking
15 facilities, serving a regional population constructed, improved, or
16 rehabilitated after July 25, 1999, at a cost of at least ten million
17 dollars, including debt service. "Regional center" also includes an
18 existing convention, conference, or special events center, and related
19 parking facilities, serving a regional population, that is improved or
20 rehabilitated after July 25, 1999, where the costs of improvement or
21 rehabilitation are at least ten million dollars, including debt
22 service. A regional center is conclusively presumed to serve a
23 regional population if state and local government investment in the
24 construction, improvement, or rehabilitation of the regional center is
25 equal to or greater than ten million dollars.

26 (2) A public facilities district may enter into contracts with any
27 city or town for the purpose of exercising any powers of a community
28 renewal agency under chapter 35.81 RCW.

29 (3) A public facilities district may impose charges and fees for
30 the use of its facilities, and may accept and expend or use gifts,
31 grants, and donations for the purpose of a regional center.

32 (~~((+3))~~) (4) A public facilities district may impose charges, fees,
33 and taxes authorized in RCW 35.57.040, and use revenues derived
34 therefrom for the purpose of paying principal and interest payments on
35 bonds issued by the public facilities district to construct a regional
36 center.

37 (~~((+4))~~) (5) Notwithstanding the establishment of a career, civil,
38 or merit service system, a public facilities district may contract with

1 a public or private entity for the operation or management of its
2 public facilities.

3 ~~((+5+))~~ (6) A public facilities district is authorized to use the
4 supplemental alternative public works contracting procedures set forth
5 in chapter 39.10 RCW in connection with the design, construction,
6 reconstruction, remodel, or alteration of any regional center.

7 **Sec. 26.** RCW 36.100.010 and 1995 3rd sp.s. c 1 s 301 are each
8 amended to read as follows:

9 (1) A public facilities district may be created in any county and
10 shall be coextensive with the boundaries of the county.

11 (2) A public facilities district shall be created upon adoption of
12 a resolution providing for the creation of such a district by the
13 county legislative authority in which the proposed district is located.

14 (3) A public facilities district is a municipal corporation, an
15 independent taxing "authority" within the meaning of Article VII,
16 section 1 of the state Constitution, and a "taxing district" within the
17 meaning of Article VII, section 2 of the state Constitution.

18 (4) No taxes authorized under this chapter may be assessed or
19 levied unless a majority of the voters of the public facilities
20 district has approved such tax at a general or special election. A
21 single ballot proposition may both validate the imposition of the sales
22 and use tax under RCW 82.14.048 and the excise tax under RCW
23 36.100.040.

24 (5) A public facilities district shall constitute a body corporate
25 and shall possess all the usual powers of a corporation for public
26 purposes as well as all other powers that may now or hereafter be
27 specifically conferred by statute, including, but not limited to, the
28 authority to hire employees, staff, and services, to enter into
29 contracts, and to sue and be sued.

30 (6) A public facilities district may enter into contracts with a
31 county for the purpose of exercising any powers of a community renewal
32 agency under chapter 35.81 RCW.

33 (7) The county legislative authority or the city council may
34 transfer property to the public facilities district created under this
35 chapter. No property that is encumbered with debt or that is in need
36 of major capital renovation may be transferred to the district without
37 the agreement of the district and revenues adequate to retire the
38 existing indebtedness.

1 NEW SECTION. **Sec. 27.** A new section is added to chapter 53.08 RCW
2 to read as follows:

3 A port district may enter into a contract with any city, town, or
4 county for the purpose of exercising any powers of a community renewal
5 agency under chapter 35.81 RCW.

6 NEW SECTION. **Sec. 28.** If any provision of this act or its
7 application to any person or circumstance is held invalid, the
8 remainder of the act or the application of the provision to other
9 persons or circumstances is not affected.

10 NEW SECTION. **Sec. 29.** (1) This act does not impair any authority
11 granted, any actions undertaken, or any liability or obligation
12 incurred under the sections amended in this act or under any rule,
13 order, plan, or project adopted under those sections, nor does it
14 impair any proceedings instituted under those sections.

15 (2) Any power granted in this act with respect to a community
16 renewal plan, and any process authorized for the exercise of the power,
17 may be used by any municipality in implementing any urban renewal plan
18 or project adopted under chapter 35.81 RCW, to the same extent as if
19 the plan were adopted as a community renewal plan.

20 (3) This act shall be liberally construed.

21 NEW SECTION. **Sec. 30.** (1) RCW 35.81.010 is recodified as RCW
22 35.81.015.

23 (2) RCW 35.81.020 is recodified as RCW 35.81.005.

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