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SENATE BILL 6324

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State of Washington

63rd Legislature

2014 Regular Session

By Senators Darneille, Conway, McCoy, Chase, Kohl-Welles, Keiser, and Kline

Read first time 01/21/14. Referred to Committee on Financial Institutions, Housing & Insurance.

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

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

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

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

1       (2) The county legislative authority must give notice to any city  
2 in which any tax foreclosed property is located within at least sixty  
3 days of acquiring such property, and the county may not dispose of the  
4 property at public auction or by private negotiation before giving such  
5 notice. The notice must offer the city the opportunity to purchase the  
6 property for the principal amount of the unpaid taxes, under the  
7 following conditions:

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

10       (b) The city must provide that the property is suitable and will be  
11 used for an affordable housing development as defined in RCW  
12 36.130.010; and

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

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