

2SSB 6239 - H COMM AMD
By Committee on Finance

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that:

4 (1) Families, senior citizens, and workers with fewer financial
5 resources are more likely to experience unhealthy and unsafe housing
6 conditions;

7 (2) Healthy homes promote good physical and mental health. When
8 adequate housing protects individuals and families from harmful
9 exposures and provides them with a sense of privacy, security,
10 stability, and control, it can make important contributions to health
11 and well-being;

12 (3) Affordable housing is a necessary component of strong,
13 thriving neighborhoods with healthy physical and social environments;

14 (4) Very low-income household renters should have the opportunity
15 to live in homes in neighborhoods close to major infrastructure
16 investments like transit, quality schools for children, and vital
17 services like health care, grocery shopping, and employment;

18 (5) Community members with critical occupations, senior citizens,
19 and families are struggling to afford rent around the state;

20 (6) Rising rents are causing the displacement of very low-income
21 household renters and long-time community members, risking the loss
22 of cultural communities;

23 (7) Nonprofit property owners require additional resources to
24 make health, safety, and quality improvements to buildings without
25 raising rents to pay for repairs; and

26 (8) Communities need a wide range of local tools to create
27 healthy, affordable homes and address affordable housing needs.

28 NEW SECTION. **Sec. 2.** It is the purpose of this chapter to give
29 communities a local option to preserve and increase healthy, high-
30 quality affordable rental housing opportunities for very low-income

1 households for which the governing authority has found that there are
2 insufficient healthy affordable housing opportunities. It is also the
3 purpose of this chapter to ensure that housing opportunities are
4 affordable to renters at below-market rent levels, as determined by
5 the governing authority, with consideration of community needs,
6 market rental costs, and income levels of renters.

7 NEW SECTION. **Sec. 3.** The definitions in this section apply
8 throughout this chapter unless the context clearly requires
9 otherwise.

10 (1) "Energy and water efficiency standards" means housing that
11 meets standards substantially equivalent to evergreen sustainable
12 development standards, as established by the Washington state
13 department of commerce.

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

17 (3) "Health and quality standards" means standards substantially
18 equivalent to uniform physical condition standards, as established by
19 the United States department of housing and urban development, or the
20 national healthy housing standard, as established by the national
21 center for healthy housing and the American public health
22 association. Governing authority may use a residential housing
23 inspection program within the jurisdiction that has established the
24 tax exemption, as long as the standards are substantially equivalent
25 to uniform physical condition standards or the national healthy
26 housing standard.

27 (4) "High-cost area" means a county where the third quarter
28 median house price for the previous year as reported by the Runstad
29 center for real estate studies at the University of Washington is
30 equal to or greater than one hundred thirty percent of the statewide
31 median house price published during the same time period.

32 (5) "Household" means a single person, family, or unrelated
33 persons living together.

34 (6) "Low-income households" means a single person, family, or
35 unrelated persons living together whose adjusted income is at or
36 below sixty percent of the median family income adjusted for family
37 size, for the county in which the project is located, as reported by
38 the United States department of housing and urban development.

1 (7) "Multifamily dwelling" means a building consisting of more
2 than one dwelling unit, as further defined by the governing
3 authority.

4 (8) "Nonprofit" or "nonprofit entity" has the same meaning as
5 provided for "nonprofit entity" in RCW 84.36.560(7).

6 (9) "Owner" means the property owner of record.

7 (10) "Permanent residential occupancy" means housing that
8 provides rental occupancy on a nontransient basis. "Permanent
9 residential occupancy" includes rental accommodation that is leased
10 for a period of at least one month. "Permanent residential occupancy"
11 excludes hotels and motels that predominately offer rental
12 accommodation on a daily or weekly basis.

13 (11) "Property" means a multifamily dwelling not designed as
14 transient accommodations, and the land upon which the dwelling is
15 located. "Property" excludes hotels or motels. "Property" may also
16 include a single-family dwelling and the land upon which the dwelling
17 is located if the governing authority adopts a program for such
18 property as provided in section 9(1)(e) of this act.

19 (12) "Rehabilitation improvements" means modifications to
20 existing property made to achieve substantial compliance with health
21 and quality standards or energy and water efficiency standards.

22 (13) "Single-family dwelling unit" means an individual detached
23 dwelling, as further defined by the governing authority.

24 (14) "Very low-income household" means a single person, family,
25 or unrelated persons living together whose adjusted income is at or
26 below fifty percent of the median family income adjusted for family
27 size, for the county in which the project is located, as reported by
28 the United States department of housing and urban development. For
29 cities located in high-cost areas, "very low-income household" means
30 a household that has an income at or below sixty percent of the
31 median family income adjusted for family size, for the county in
32 which the project is located.

33 NEW SECTION. **Sec. 4.** A city governing authority may adopt a
34 property tax exemption program to preserve affordable housing that
35 meets health and quality standards for very low-income households at
36 risk of displacement or that cannot afford market-rate housing. A
37 county governing authority may adopt a property tax exemption program
38 for unincorporated areas of the county to preserve affordable housing
39 that meets health and quality standards for very low-income

1 households at risk of displacement or that cannot afford market-rate
2 housing.

3 NEW SECTION. **Sec. 5.** (1) Only properties owned by a nonprofit
4 entity may qualify for a property tax exemption program under this
5 chapter.

6 (2) Upon adoption of a property tax exemption program, the
7 governing authority must establish standards for very low-income
8 household rental housing under this chapter, including rent limits
9 and income guidelines consistent with local housing needs, to assist
10 very low-income households that cannot afford market-rate housing.
11 Affordable housing units must be:

12 (a) Below market rent levels as determined by the governing
13 authority; and

14 (b) Affordable to households with an income of fifty percent or
15 less of the county median family income, adjusted for family size.

16 (3)(a) The governing authority, after holding a public hearing,
17 may also establish lower income levels or lower rent levels adjusted
18 to serve very low-income household renters in the community.

19 (b) The governing authority of a high-cost area, after holding a
20 public hearing, may also establish higher income levels. The higher
21 income level may not exceed sixty percent of the county area median
22 family income, adjusted for family size.

23 (4) Rent levels for affordable housing units may not exceed
24 thirty percent of the income limit for the very low-income housing
25 unit, as established by the governing authority, and must include
26 tenant-paid utilities other than telephone and any mandatory fees
27 required as a condition of tenancy.

28 NEW SECTION. **Sec. 6.** (1) The value of residential real property
29 qualifying under this chapter is exempt from ad valorem property
30 taxation, except taxes levied by the state, for a period of fifteen
31 successive years beginning January 1st of the calendar year
32 immediately following the calendar year in which a certificate of tax
33 exemption is filed with the county assessor in accordance with
34 section 12 of this act.

35 (2) The governing authority may extend the duration of the
36 exemption period by three years for properties meeting energy and
37 water efficiency standards.

1 (3) The incentive provided under this chapter is in addition to
2 any tax credits, grants, or other incentives provided by law.

3 (4) This chapter neither applies to increases in assessed
4 valuation made by the assessor on nonqualifying portions of building
5 or land nor to increases made by lawful order of a county board of
6 equalization, the department of revenue, or a county, to a class of
7 property throughout the county or specific area of the county to
8 achieve the uniformity of assessment or appraisal required by law.

9 (5) The exemption does not apply to any county property tax
10 unless the legislative authority of the county adopts a resolution
11 and notifies the governing authority of the jurisdiction within the
12 county that has established a tax exempt program of its intent to
13 allow the property to be exempt.

14 (6) The governing authority must notify local taxing districts in
15 the designated exemption area when a tax exemption program is
16 established under this chapter.

17 NEW SECTION. **Sec. 7.** To be eligible for the exemption from
18 property taxation under this chapter, in addition to other
19 requirements set forth in this chapter, the property must be in
20 compliance with the following applicable requirements for the entire
21 exemption period:

22 (1) The property must be owned by a nonprofit entity;

23 (2)(a) A minimum of twenty-five percent of units in a multiple-
24 unit property subject to tax exemption must be affordable as
25 described in section 5 of this act. A governing authority may require
26 more than twenty-five percent affordable units in multiple-unit
27 housing buildings subject to tax exemption to address local market
28 conditions. Affordable units must be comparable in terms of quality
29 and living conditions to market rate units in the building.

30 (b) If a nonprofit entity acquires a property that meets the
31 requirements under (a) of this subsection, and which also had within
32 the previous twelve-month period at least an additional twenty-five
33 percent of its units affordable to low-income households, then the
34 property must continue to provide no less than the same number of
35 additional units affordable to low-income households or very low-
36 income households;

37 (3) At least ninety percent of the units of multiple-unit
38 property must be occupied by tenants at the time of application;

1 (4) The property must be part of a residential or mixed-use
2 (residential and nonresidential) project;

3 (5) The property must provide for a minimum of fifty percent of
4 the space in each building for permanent residential occupancy;

5 (6) The property must meet guidelines as adopted by the governing
6 authority that may include height, density, public benefit features,
7 number and size of proposed development, parking, income limits for
8 occupancy, limits on rents, health and quality standards, and other
9 adopted requirements indicated as necessary by the governing
10 authority. The required amenities should be relative to the size of
11 the project and tax benefit to be obtained; and

12 (7) The nonprofit property owner must enter into a contract with
13 the city or county approved by the governing authority, or an
14 administrative official or commission authorized by the governing
15 authority, under which the nonprofit property owner has agreed to
16 terms and conditions satisfactory to the governing authority.

17 NEW SECTION. **Sec. 8.** (1) To be eligible for the exemption from
18 taxation under this chapter, the property must also comply with all
19 applicable land use regulations, zoning requirements, and building
20 and housing code requirements, including space and occupancy,
21 structural, mechanical, fire, safety, and security standards, and
22 health and quality standards. The governing authority may establish
23 additional standards to meet local needs.

24 (2)(a) The governing authority may waive certain health and
25 quality standards for up to two years if the owner of the nonprofit
26 property submits a rehabilitation plan to comply with health and
27 quality standards. The nonprofit owner must notify the governing
28 authority at the time of completion of rehabilitation. The waiver of
29 certain health and quality standards only applies to rehabilitation
30 improvements specifically included in the rehabilitation plan.

31 (b) The governing authority must establish minimum health and
32 quality standards for properties to qualify for a waiver under (a) of
33 this subsection. The governing authority may not waive health and
34 quality standards that endanger or impair the health and safety of
35 any tenant.

36 (c) Nothing in this subsection may exempt or waive any
37 obligations under federal, state, and local laws.

38 (3) The property must be inspected for compliance with
39 subsections (1) and (2) of this section at the time of application

1 for tax exemption and, thereafter, as established by the governing
2 authority at least once every three years.

3 (4) If the governing authority grants a waiver of certain health
4 and quality standards under subsection (2) of this section, the
5 property must be inspected when the nonprofit owner notifies the
6 governing authority that rehabilitation has been completed or at the
7 end of the waiver period, whichever occurs first.

8 (5) The governing authority or its duly authorized representative
9 may deny an application for tax exemption or revoke an existing
10 exemption under this chapter for failure to comply with health and
11 quality standards.

12 NEW SECTION. **Sec. 9.** (1) The governing authority may establish
13 additional requirements for tax exemption eligibility or program
14 rules under this chapter including, but not limited to:

15 (a) A limit on the total number of affordable housing units
16 subject to exemption under this chapter;

17 (b) The designation of targeted residential areas for property to
18 align with community needs, including to prevent displacement,
19 preserve cultural communities, and provide affordable housing options
20 near community infrastructure such as transportation or public
21 schools;

22 (c) Standards for property size, unit size, unit type, mix of
23 unit types, or mix of unit sizes;

24 (d) An exemption extension for property meeting minimum energy
25 and water efficiency standards substantially equivalent to evergreen
26 sustainable development building performance standards;

27 (e) A program for single-family dwelling rental units occupied by
28 tenants complying with affordability requirements under this chapter
29 as adopted by the governing authority;

30 (f) Any additional requirements to reduce displacement of very
31 low-income household tenants.

32 (2) The governing authority must adopt and implement standards
33 and guidelines to be utilized in considering applications and making
34 the determinations required under this chapter. The standards and
35 guidelines must establish basic requirements to include:

36 (a) An application process and procedures;

37 (b) Guidelines that may include height, density, public benefit
38 features, number and size of proposed development, parking, income
39 limits for occupancy, limits on rents, health and quality standards,

1 and other adopted requirements indicated as necessary by the
2 governing authority. The required amenities should be relative to the
3 size of the project and tax benefit to be obtained;

4 (c) An inspection policy and procedures to ensure the property
5 complies with housing and health and quality standards;

6 (d) Income and rent limits as required under section 5 of this
7 act; and

8 (e) Documentation necessary to establish income eligibility of
9 households in affordable housing units.

10 (3) Standards may apply to part or all of a jurisdiction and
11 different standards may be applied to different areas within a
12 jurisdiction or to different types of development. Programs
13 authorized under this section may be modified to meet local needs and
14 may include provisions not expressly provided in this section.

15 NEW SECTION. **Sec. 10.** A nonprofit property owner making an
16 application under this chapter must apply by August 1st of the year
17 prior to the first calendar year in which the taxes for collection
18 are to be considered for exemption and meet the following
19 requirements:

20 (1) The applicant must apply to the city or county on forms
21 adopted by the governing authority. The application must contain the
22 following:

23 (a) Information setting forth the grounds supporting the
24 requested exemption, including information indicated on the
25 application form or in the guidelines;

26 (b) A description of the project and site plan, including the
27 floor plan of units and other information requested;

28 (c) A statement that the applicant is aware of the potential tax
29 liability involved when the property ceases to be eligible for the
30 incentive provided under this chapter;

31 (d) When the governing authority finds that rehabilitation is
32 required to meet health and quality standards or evergreen
33 sustainable development building performance standards, a
34 rehabilitation plan outlining rehabilitation improvements, budget,
35 and proposed schedule for repairs; and

36 (e) A certification of family size and annual income in a form
37 acceptable to the governing authority for designated affordable
38 housing units;

1 (2) The applicant must verify the application by oath or
2 affirmation; and

3 (3) The applicant must submit a fee, if any, with the application
4 as required under this chapter. The governing authority may permit
5 the applicant to revise an application before final action by the
6 governing authority.

7 NEW SECTION. **Sec. 11.** (1) Upon receipt of an application
8 meeting the requirements of section 10 of this act, the governing
9 authority must inspect the property to certify compliance with health
10 and quality standards or to grant a waiver upon submission of a
11 rehabilitation plan by the nonprofit owner of the property.

12 (2) The duly authorized administrative official or committee of
13 the governing authority may approve the application if it finds that:

14 (a) The property meets affordable housing requirements as
15 described in section 5 of this act;

16 (b) The property meets health and quality standards, or a waiver
17 is granted upon submission of a rehabilitation plan by the nonprofit
18 property owner;

19 (c) The property rehabilitation plan is of appropriate scope to
20 be completed within the designated time frame of waiver and will
21 result in property compliance with health and quality standards, as
22 outlined in section 8 of this act; and

23 (d) The nonprofit owner has complied with all standards and
24 guidelines adopted by the governing authority under this chapter.

25 NEW SECTION. **Sec. 12.** (1) The governing authority, or an
26 administrative official or commission authorized by the governing
27 authority, must approve or deny an application filed under this
28 chapter within one hundred twenty days. The governing authority may
29 adopt standards to extend the period to approve or deny an
30 application filed under this chapter for a property that does not
31 meet health and quality standards.

32 (2)(a) If the application is approved, the governing authority
33 must issue the nonprofit property owner a certificate of tax
34 exemption and file the certificate of exemption with the county
35 assessor no later than December 1st of the year prior to the first
36 calendar year in which the taxes for collection are to be exempt. If
37 the certificate of exemption is filed after December 1st and before
38 January 1st, the certificate of exemption is deemed filed in the next

1 calendar year. The certificate must contain a statement by a duly
2 authorized administrative official of the governing authority that
3 the property has complied with the required findings indicated in
4 this chapter.

5 (b) The governing authority may issue a conditional certificate
6 of acceptance of tax exemption if a property must complete a
7 rehabilitation plan in order to comply with health and quality
8 standards. The rehabilitation must be completed within two years of
9 the date of application for a tax exemption.

10 (3)(a) If the application is denied by the authorized
11 administrative official or commission authorized by the governing
12 authority, the deciding administrative official or commission must
13 state in writing the reasons for denial and send the notice to the
14 applicant at the applicant's last known address within ten days of
15 the denial.

16 (b) Upon denial by the authorized administrative official or
17 commission, an applicant may appeal the denial to the governing
18 authority within thirty days after receipt of the denial. The appeal
19 before the governing authority must be based upon the record made
20 before the administrative official or commission with the burden of
21 proof on the applicant to show that there was no substantial evidence
22 to support the administrative official or commission's decision. The
23 decision of the governing body in denying or approving the
24 application is final.

25 NEW SECTION. **Sec. 13.** The governing authority may establish an
26 application fee or other fees to not exceed an amount determined to
27 be required to cover the cost to be incurred by the governing
28 authority and the assessor in administering this chapter. The
29 application fee, if established, must be paid at the time the
30 application is submitted. If the application is approved, the
31 governing authority must pay the application fee to the county
32 assessor for deposit in the county current expense fund, after first
33 deducting that portion of the fee attributable to its own
34 administrative costs in processing the application. If the
35 application is denied, the governing authority may retain that
36 portion of the application fee attributable to its own administrative
37 costs and refund the balance to the applicant.

1 NEW SECTION. **Sec. 14.** The authorized representative of the
2 governing authority must notify the applicant that a certificate of
3 tax exemption will be denied or canceled if the authorized
4 representative determines that:

5 (1) The affordable housing requirements as described in section 5
6 of this act were not met;

7 (2) The property did not meet health and quality standards; or

8 (3) The nonprofit owner's property is otherwise not qualified for
9 limited exemption under this chapter.

10 NEW SECTION. **Sec. 15.** (1) The nonprofit owner of property
11 receiving a tax exemption under this chapter must obtain from each
12 tenant living in designated affordable housing units, no less than
13 annually, a certification of family size and annual income in a form
14 acceptable to the governing authority.

15 (2) The nonprofit property owner must file a report at least
16 annually by a date established by the governing authority indicating
17 the following:

18 (a) Family size and annual income for each tenant living in
19 designated affordable housing rental units and a statement that the
20 property is in compliance with affordable housing requirements
21 described in section 5 of this act;

22 (b) A statement of occupancy and vacancy;

23 (c) A schedule of rents charged in market-rate units;

24 (d) A certification that the property has not changed use;

25 (e) A description of changes or improvements;

26 (f) When rehabilitation is required to meet health and quality
27 standards or evergreen sustainable development building performance
28 standards, a progress report on compliance with the rehabilitation
29 plan, budget, and proposed schedule for repairs; and

30 (g) Any other information required to determine compliance with
31 program requirements or to measure program performance.

32 (3) A governing authority that issues certificates of tax
33 exemption for property that conform to the requirements of this
34 chapter must report annually by July 1st to the department of
35 commerce the following information:

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

37 (b) The number and type of units in building properties receiving
38 a tax exemption;

- 1 (c) The number and type of units meeting affordable housing
2 requirements;
- 3 (d) The total monthly rent amount for each affordable and market-
4 rate unit; and
- 5 (e) The value of the tax exemption for each project receiving a
6 tax exemption and the total value of tax exemptions granted.

7 NEW SECTION. **Sec. 16.** (1) After a certificate of exemption has
8 been filed with the county assessor, the tax exemption must be
9 canceled by the authorized representative of the governing authority
10 under the following circumstances:

11 (a) The owner intends to convert the property to another use that
12 is not residential or the owner intends to discontinue compliance
13 with affordable housing requirements;

14 (b) The owner fails to file annual reports;

15 (c) The owner fails to maintain the property in substantial
16 compliance with all applicable local building, safety, and health
17 code requirements;

18 (d) The owner fails to complete rehabilitation improvements as
19 outlined in the rehabilitation plan;

20 (e) The owner fails to meet affordable housing requirements; or

21 (f) The property is transferred to an owner who is not a
22 nonprofit entity.

23 (2)(a) Notification of a canceled certificate of exemption must
24 be made by the governing authority or authorized representative of
25 the governing authority to the county assessor within thirty days of
26 the cancellation. Upon notice of a canceled tax exemption
27 certificate, additional real property tax must be imposed upon the
28 value of the improvements and land that no longer qualify for
29 exemption under this chapter in the amount that would have been
30 imposed had the property not been exempt under this act, plus a
31 penalty of twenty percent of the additional tax. This additional tax
32 is calculated from January 1st of the year the certificate of tax
33 exemption first became effective.

34 (b) Interest must be included upon the amounts of the additional
35 tax at the same rate charged on delinquent property taxes from the
36 dates on which the additional tax could have been paid without
37 penalty if the property had been assessed at a value without regard
38 to this chapter.

1 (c) The additional tax, penalty, and interest must be collected
2 by the county treasurer. The additional tax must be distributed by
3 the county treasurer in the same manner in which current property
4 taxes applicable to the subject property are distributed. The
5 additional taxes, penalty, and interest must be payable in full
6 thirty days following the date on which the treasurer's statement of
7 additional tax due is issued.

8 (d) The additional tax owed together with the interest and
9 penalty becomes a lien on the land and attaches at the time the
10 property or portion of the property is removed from use as affordable
11 housing or the amenities no longer meet applicable requirements, and
12 has priority to and must be fully paid and satisfied before a
13 recognizance, mortgage, judgment, debt, obligation, or responsibility
14 to or with which the land may become charged or liable. The lien may
15 be foreclosed upon the expiration of the same period after
16 delinquency and in the same manner provided by law for foreclosure of
17 liens for delinquent real property taxes. An additional tax unpaid on
18 its due date is delinquent.

19 (e) The county auditor may not accept an instrument of conveyance
20 unless the additional tax, interest, and penalty has been paid or the
21 governing authority or authorized representative has determined that
22 the property is not subject to the additional tax, interest, or
23 penalty.

24 (f) A certificate of exemption may be continued for the remainder
25 of the exemption period upon sale or transfer of all or a portion of
26 the exempt property to a new nonprofit owner, if the new nonprofit
27 owner has signed a notice of exemption continuance. The notice of
28 exemption continuance must be in a form approved by the governing
29 authority or its authorized representative. If the notice of
30 continuance is not signed by the new nonprofit owner and attached to
31 the real estate excise tax affidavit, all additional tax, penalty,
32 and interest calculated in accordance with this section become due
33 and payable by the owner, including the seller or transferor, at time
34 of sale.

35 (3) Upon a determination that a property tax exemption is to be
36 canceled for any reason stated in this section, the governing
37 authority or authorized representative of the governing authority
38 must notify the record nonprofit owner of the property as shown by
39 the tax rolls by mail, return receipt requested, of the determination
40 to cancel the exemption. The nonprofit owner may appeal the

1 determination to the governing authority or authorized representative
2 within thirty days by filing a notice of appeal with the clerk of the
3 governing authority, which must specify the factual and legal basis
4 on which the determination of cancellation is alleged to be
5 erroneous. The governing authority or a hearing examiner or other
6 official authorized by the governing authority may hear the appeal.
7 At the hearing, all affected parties may be heard and all competent
8 evidence received. After the hearing, the deciding body or officer
9 must either affirm, modify, or repeal the decision of cancellation of
10 exemption based on the evidence received. An aggrieved party may
11 appeal the decision of the deciding body or officer to the superior
12 court under RCW 34.05.510 through 34.05.598.

13 (4) Upon the expiration of the exemption period or upon
14 cancellation of the exemption, the value of new construction or
15 improvements to the property, not previously considered as new
16 construction during the exemption period, must be considered as new
17 construction for purposes of calculating levies under chapter 84.55
18 RCW.

19 NEW SECTION. **Sec. 17.** Tenant identifying information and income
20 data obtained by the governing authority and the assessor may be used
21 only to administer this affordable housing exemption. Notwithstanding
22 any provision of law to the contrary, absent written consent by the
23 person about whom the information or facts have been obtained, the
24 tenant identifying information and income data may not be disclosed
25 by the jurisdiction or assessor or their agents or employees to
26 anyone other than their agents or employees except in an
27 administrative or judicial proceeding pertaining to the taxpayer's
28 entitlement to the tax exemption.

29 NEW SECTION. **Sec. 18.** The exemption in this chapter applies to
30 taxes levied for collection in 2017 and thereafter.

31 NEW SECTION. **Sec. 19.** Sections 1 through 18 of this act
32 constitute a new chapter in Title 84 RCW."

33 Correct the title.

EFFECT: (1) Limits the eligibility for the tax exemption to
properties owned by a nonprofit entity.

(2) Provides that properties acquired by a nonprofit entity, with at least 25 percent of its units affordable to households under 50 percent of median income and at least 25 percent of the units affordable to households below 60 percent of median income, are eligible for the tax exemption only if the property continues to provide at least the same number of additional units affordable to households under 60 percent of median income.

(3) Replaces the definition of "nonprofit" to align with the definition in statute regarding nonprofit organizations that offer housing to low-income households.

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