
SUBSTITUTE HOUSE BILL 1696

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Housing (originally sponsored by Representatives Miller, Anderson, Mitchell, Nelson, Ballard, Leonard, Winsley, Franklin, Ferguson, Cole, Ogden, Wineberry, R. King, Betrozoff, Brekke, Paris, Casada, Bowman and Fraser).

Read first time February 27, 1991.

1 AN ACT Relating to surplus property for affordable housing;
2 amending RCW 43.63A.510, 36.34.135, and 47.12.063; adding a new section
3 to chapter 28A.335 RCW; adding a new section to chapter 35.21 RCW;
4 adding a new section to chapter 36.34 RCW; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the lack of
7 available land and the rising cost of land are major barriers to the
8 development of housing that is affordable to persons of low income.

9 The legislature further finds that there are publicly owned lands
10 and buildings that may be suitable to be marketed, sold, leased, or
11 exchanged for the development of affordable housing.

12 The legislature further finds that nonprofit organizations can play
13 an important role in the production and operation of housing affordable
14 to persons of low income.

1 It is the intent of the legislature to aid in the development of
2 affordable housing by nonprofit organizations by providing a central
3 location of inventories of publicly owned lands and buildings that may
4 be suitable to be marketed, sold, leased, or exchanged for the
5 development of affordable housing. It is also the intent of the
6 legislature to consider the return to the state by having the housing
7 developed by nonprofit organizations when determining fair market value
8 of publicly owned land and buildings.

9 **Sec. 2.** RCW 43.63A.510 and 1990 c 253 s 6 are each amended to read
10 as follows:

11 The department shall work with the departments of natural
12 resources, transportation, and general administration to identify and
13 catalog under-utilized, state-owned land and property for possible
14 lease or sale for affordable housing. The department shall provide an
15 inventory of real property that is owned or administered by each agency
16 and is available for lease. The inventories shall be provided to the
17 department by November 1, (~~(1990)~~) 1991, with inventory revisions
18 provided each November 1 thereafter. The department shall assist local
19 governments, public housing authorities, public nonprofit
20 organizations, and private nonprofit organizations in obtaining (~~(long-~~
21 ~~term leases of)~~) suitable and available sites. The leases or sales
22 shall be for the purpose of providing sites to be used for affordable
23 housing for (~~(farmworkers)~~) persons of low income as defined in RCW
24 35.21.685 or 36.32.415. As used in this section, "affordable housing"
25 means residential housing where at least fifty-one percent of the
26 dwelling units are occupied by persons of low income and the annual
27 rent, including utilities other than the telephone, on the dwelling
28 units occupied by persons of low income does not exceed thirty percent

1 of eighty percent of the county median income, adjusted for household
2 size, for the county where the housing is located.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.335
4 RCW to read as follows:

5 Every school district shall identify and catalog real property of
6 the district that is no longer required for school purposes that is
7 available for possible lease or sale for housing for persons of low
8 income as defined in RCW 35.21.685 or 36.32.415. The inventory shall
9 include the location and approximate size of the property. A copy of
10 the inventory shall be provided to the state department of community
11 development by November 1, 1991, with inventory revisions provided each
12 November 1 thereafter.

13 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.21 RCW
14 to read as follows:

15 Every city and town, including every code city as defined in Title
16 35A RCW, shall identify and catalog the under-utilized real property
17 that it owns that is available for possible lease or sale for housing
18 for persons of low income as defined in RCW 35.21.685. The inventory
19 shall include the location and approximate size of the property. A
20 copy of the inventory shall be provided to the state department of
21 community development by November 1, 1991, with inventory revisions
22 provided each November 1 thereafter.

23 NEW SECTION. **Sec. 5.** A new section is added to chapter 36.34 RCW
24 to read as follows:

25 Every county shall identify and catalog the under-utilized real
26 property that it owns that is available for possible lease or sale for
27 affordable housing. The inventory shall include location and

1 approximate size of the property. The inventory shall be provided to
2 the department of community development by November 1, 1991, with
3 inventory revisions provided each November 1 thereafter.

4 **Sec. 6.** RCW 36.34.135 and 1990 c 253 s 7 are each amended to read
5 as follows:

6 If a county owns property that is located anywhere within the
7 county, including within the limits of a city or town, and that is
8 suitable for ~~((seasonal or migrant farmworker))~~ affordable housing, the
9 legislative authority of the county may, by negotiation, lease the
10 property for ~~((seasonal or migrant farmworker))~~ affordable housing for
11 a term not to exceed seventy-five years to any public housing authority
12 or nonprofit organization that has demonstrated its ability to
13 construct or operate affordable housing ~~((for seasonal or migrant~~
14 ~~farmworkers))~~. Leases for affordable housing ~~((for migrant and seasonal~~
15 ~~farmworkers))~~ shall not be subject to any requirement of periodic
16 rental adjustments, as provided in RCW 36.34.180, but shall provide for
17 such fixed annual rents as appear reasonable considering the public,
18 social, and health benefits to be derived by providing an adequate
19 supply of affordable, safe, and sanitary housing for ((migrant and
20 seasonal farmworkers)) persons of low income. As used in this section,
21 "affordable housing" means residential housing where at least fifty-one
22 percent of the dwelling units are occupied by persons of low income as
23 defined in RCW 36.32.415 and the annual rent, including utilities other
24 than the telephone, on the dwelling units occupied by persons of low
25 income does not exceed thirty percent of eighty percent of the county
26 median income, adjusted for household size, for the county where the
27 housing is located.

1 **Sec. 7.** RCW 47.12.063 and 1988 c 135 s 1 are each amended to read
2 as follows:

3 (1) It is the intent of the legislature to continue the
4 department's policy giving priority consideration to abutting property
5 owners in agricultural areas when disposing of property through its
6 surplus property program under this section. It is also the intent of
7 the legislature that nonprofit organizations dedicated to providing
8 housing for persons of low income be given priority when disposing of
9 property suitable for residential uses through its surplus property
10 program under this section.

11 (2) Whenever the department determines that any real property owned
12 by the state of Washington and under the jurisdiction of the department
13 is no longer required for transportation purposes and that it is in the
14 public interest to do so, the department may sell the property or
15 exchange it in full or part consideration for land or improvements or
16 for construction of improvements at fair market value to any of the
17 following governmental entities or persons:

18 (a) Any other state agency;

19 (b) The city or county in which the property is situated;

20 (c) Any other municipal corporation;

21 (d) The former owner of the property from whom the state acquired
22 title;

23 (e) In the case of residentially improved property, a tenant of the
24 department who has resided thereon for not less than six months and who
25 is not delinquent in paying rent to the state;

26 (f) Any abutting private owner but only after each other abutting
27 private owner (if any), as shown in the records of the county assessor,
28 is notified in writing of the proposed sale. If more than one abutting
29 private owner requests in writing the right to purchase the property
30 within fifteen days after receiving notice of the proposed sale, the

1 property shall be sold at public auction in the manner provided in RCW
2 47.12.283;

3 (g) To any person through the solicitation of written bids through
4 public advertising in the manner prescribed by RCW 47.28.050; (~~or~~)

5 (h) To any other owner of real property required for transportation
6 purposes; or

7 (i) In the case of property suitable for residential use, any
8 nonprofit organization dedicated to providing housing to persons of low
9 income as defined in RCW 35.21.685 or 36.32.415.

10 (3) Sales to purchasers may at the department's option be for cash,
11 by real estate contract, or exchange of land or improvements.
12 Transactions involving the construction of improvements must be
13 conducted pursuant to chapter 47.28 RCW or Title 39 RCW, as applicable,
14 and must comply with all other applicable laws and rules.

15 (4) Conveyances made pursuant to this section shall be by deed
16 executed by the secretary of transportation and shall be duly
17 acknowledged.

18 (5) All moneys received pursuant to the provisions of this section
19 less any real estate broker commissions paid pursuant to RCW 47.12.320
20 shall be deposited in the motor vehicle fund.