

SENATE BILL REPORT

HB 1846

As Reported By Senate Committee On:
Natural Resources, Parks & Shorelines, March 26, 2001
Ways & Means, April 2, 2001

Title: An act relating to the exchange or sale and replacement of administrative property owned by the department of natural resources.

Brief Description: Allowing the department of natural resources to sell or exchange its light industrial property in Thurston county.

Sponsors: By Representatives Alexander, Hunt, Romero and DeBolt; by request of Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources, Parks & Shorelines: 3/21/01, 3/26/01 [DP-WM, DNP].
Ways & Means: 4/2/01 [DPA].

SENATE COMMITTEE ON NATURAL RESOURCES, PARKS & SHORELINES

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Jacobsen, Chair; Spanel, Vice Chair; Constantine, Hargrove, Oke and Snyder.

Minority Report: Do not pass.

Signed by Senator Stevens.

Staff: Victor Moon (786-7469)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Brown, Chair; Constantine, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Rasmussen, Regala, Roach, Sheahan, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Zarelli.

Staff: Richard Ramsey (786-7412)

Background: The Department of Natural Resources (DNR) owns a 38-acre administrative site in Lacey, Washington, known as the Lacey Compound. The Lacey Compound supports the department's motor pool, fire program, materials storage, and maintenance equipment. The site has buildings built in 1938 and their upkeep is costly. The site was originally in a rural area, but there has been extensive development around the site and it no longer fits into

the long range plans for the area. DNR needs authority to sell the site and relocate to a more efficient location that will save money and provide better service.

Summary of Amended Bill: The Department of Natural Resources (DNR) may sell or exchange the light industrial facilities in Thurston County, known as the Lacey Compound, and purchase or trade for new land and facilities in Thurston or adjacent counties to serve as an administrative site. DNR also has the option to construct new facilities. The Lacey Compound may be sold in part or whole at public auction, or exchanged for public or private property. If an exchange is not balanced, DNR may accept or spend funds to equalize the trade. All sales and exchanges must be at least for market value. All proceeds received from an auction are deposited in the park land trust revolving fund and are used for the acquisition of a replacement administrative site. Any proceeds remaining after the purchase and/or construction of the new administrative site are deposited into the appropriate trust account as determined by the department.

DNR must prepare a financing plan before proceeding with an exchange or sale. The plan will include a determination of the value and ownership of the Lacey compound and the prospective uses and financial responsibility of the new compound. The location of the future site is subject to approval by the Board of Natural Resources and the State Capital Committee.

Amended Bill Compared to Original Bill: A provision is added requiring DNR to prepare a financing plan before proceeding with an exchange or sale. The plan will include a determination of the value and ownership of the Lacey compound and the prospective uses and financial responsibility of the new compound. The location of the future site is subject to approval by the Board of Natural Resources and the State Capital Committee.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For (Natural Resources, Parks & Shorelines): The site of the Lacey Compound is in a growing urban area and does not fit the city of Lacey's growth plans. The buildings are old and costly to repair and a new site for DNR is needed.

Testimony Against (Natural Resources, Parks & Shorelines): None.

Testified (Natural Resources, Parks & Shorelines): PRO: Jim Hurst, Department of Natural Resources; Graeme Sackrison, Mayor of Lacey.

Testimony For (Ways & Means): There are significant problems with the existing compound site, including access and the condition of the buildings. The department seeks an exchange that will not affect the state general fund.

Testimony Against (Ways & Means): None.

Testified (Ways & Means): Representative Gary Alexander; Jim Hurst, Department of Natural Resources.