

SENATE BILL REPORT

SB 5861

As Reported By Senate Committee On:
State & Local Government, March 5, 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: Senators Fraser, Swecker and T. Sheldon; by request of Department of Natural Resources.

Brief History:

Committee Activity: State & Local Government: 2/22/01, 3/5/01 [DP-WM, DNP].

SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

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

Signed by Senators Patterson, Chair; Gardner, Hale, Haugen, Kline, McCaslin, Roach, T. Sheldon and Swecker.

Minority Report: Do not pass.

Signed by Senator Fairley, Vice Chair.

Staff: Diane Smith (786-7410)

Background: The Department of Natural Resources (DNR) owns light industrial facilities and land in Thurston County, known as the Lacey Compound. It was acquired as an administrative site.

Statutory authority for DNR to sell other than forest lands is silent on the issue of authority to exchange these lands.

Summary of Bill: DNR has express authority to sell or exchange the Lacey Compound for like property in Thurston or adjacent counties. An exchange may be made for public or private property.

Authority is alternatively granted to sell all or part of the Lacey Compound at public auction pursuant to statute to accomplish purchase and/or construction of a replacement light industrial site. Specific instructions are given for administration of the financial transaction.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: DNR wants to move to a more effective location. They are at the point of either renovating the existing buildings that are at least 60 years old, or going to another location. Given that the land value of the existing 37-acre site exceeds the value of any structures appropriate to DNR's needs, to stay at this site would be poor stewardship and poor service to the taxpayer. The economics of the proposed exchange or sale are based on prospective value. The marketplace is now offering prime rates for this compound.

Testimony Against: None.

Testified: PRO: Gary Myers, Dennis Flynn, Washington State Department of Natural Resources; Grant Fredricks, General Administration.