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**SUBSTITUTE HOUSE BILL 3165**

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**State of Washington**                      **59th Legislature**                      **2006 Regular Session**

**By** House Committee on Housing (originally sponsored by  
Representatives Miloscia, Chase and Hasegawa)

READ FIRST TIME 1/31/06.

1            AN ACT Relating to using surplus property to develop affordable  
2 housing; and amending RCW 43.63A.510, 35.21.687, 36.34.137, 43.20A.037,  
3 47.12.063, 47.12.064, 72.09.055, 43.19.19201, 79A.05.170, 79A.05.175,  
4 and 79.11.005.

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

6            **Sec. 1.** RCW 43.63A.510 and 1993 c 461 s 2 are each amended to read  
7 as follows:

8            (1) The department shall work with the departments of natural  
9 resources, (~~transportation,~~) social and health services, corrections,  
10 and general administration, as well as all cities, towns, and counties,  
11 to identify and catalog under-utilized, (~~state-~~) publicly owned land  
12 and property suitable for the development of affordable housing for  
13 very low-income, low-income or moderate-income households. The  
14 department, and the departments of natural resources,  
15 (~~transportation,~~) social and health services, corrections, and  
16 general administration, as well as cities, towns, and counties, shall  
17 (~~provide~~) produce an inventory of real property that is owned or  
18 administered by each agency or local government and is available for

1 lease or sale. The inventories shall be provided to the department by  
2 November 1, 1993, with inventory revisions provided (~~each November 1~~  
3 ~~thereafter~~) monthly beginning in June 2006.

4 (2) (~~Upon written request,~~) The department shall (~~provide a copy~~  
5 ~~of~~) publicly advertise on its web site the inventory of (state-owned  
6 and publicly-owned) all lands and buildings (to parties interested in  
7 developing the sites for affordable housing) owned by the state,  
8 cities, towns, and counties that are available for lease or sale,  
9 including contact information. Printed copies of the list shall be  
10 provided upon request.

11 (3) As used in this section:

12 (a) "Affordable housing" means (~~residential housing that is rented~~  
13 ~~or owned by a person who qualifies as a very low income, low income, or~~  
14 ~~moderate income household or who is from a special needs population,~~  
15 ~~and whose monthly housing costs, including utilities other than~~  
16 ~~telephone, do not exceed thirty percent of the household's monthly~~  
17 ~~income~~) housing that has a sales price or rental amount that is within  
18 the means of a household that may occupy moderate-income or low-income  
19 housing. In the case of dwelling units for rent, affordable housing  
20 means housing for which the affordable rent and utilities do not exceed  
21 thirty percent of the gross annual household income for a household  
22 below the median income of the household size that may occupy the  
23 particular unit. In the case of dwelling units for sale, affordable  
24 housing means housing in which annual housing costs do not exceed  
25 thirty percent of the gross annual household income for a household  
26 below the median income of the household size that may occupy the  
27 particular unit. The department shall adopt policies for residential  
28 homeownership housing, occupied by low-income households, that specify  
29 the percentage of household income that may be spent on monthly housing  
30 costs, including all utilities other than telephone costs, to qualify  
31 as affordable housing.

32 (b) "Very low-income household" means a single person, family, or  
33 unrelated persons living together whose income is at or below fifty  
34 percent of the median income, adjusted for household size, for the  
35 county where the affordable housing is located.

36 (c) "Low-income household" means a single person, family, or  
37 unrelated persons living together whose income is more than fifty

1 percent but is at or below eighty percent of the median income where  
2 the affordable housing is located.

3 (d) "Moderate-income household" means a single person, family, or  
4 unrelated persons living together whose income is more than eighty  
5 percent but is at or below one hundred fifteen percent of the median  
6 income where the affordable housing is located.

7 (e) "Nonprofit housing organization" means any public or private  
8 nonprofit organization that: (i) Is organized under federal, state, or  
9 local laws; (ii) has no part of its net earnings inuring to the benefit  
10 of any member, founder, contributor, or individual; and (iii) has among  
11 its purposes, significant activities related to the provision of decent  
12 housing that is affordable to very low-income, low-income, or moderate-  
13 income households and special needs populations.

14 (f) "Authority" or "housing authority" means any of the public  
15 corporations created by RCW 35.82.030.

16 (4) Property for sale, which is included in the inventory as  
17 required by subsections (1) and (2) of this section, shall be offered,  
18 for the first ninety days after its availability, exclusively to public  
19 and private nonprofit housing organizations and housing authorities.  
20 Nonprofit housing organizations and authorities may purchase such  
21 property at ninety percent of its appraised value under reasonable  
22 option and purchase conditions.

23 (a) To be considered, each purchase offer must include a proposed  
24 project description, including an estimated number of affordable  
25 housing units to be created. A written commitment must be provided  
26 that explicitly states that the nonprofit housing organization or  
27 housing authority will develop affordable housing for households  
28 earning at or below eighty percent of the area median income. The  
29 specific income level, or income levels, to be served must be included  
30 in the commitment statement. The written commitment must also include  
31 a statement that the organization or authority agrees to maintain the  
32 affordability of those housing units for a minimum of thirty years.  
33 The department may establish additional requirements for nonprofit  
34 housing organizations and authorities under this chapter.

35 (b) The department will establish criteria to use if more than one  
36 purchase offer is received from nonprofit housing organizations and  
37 housing authorities for a single piece of property. Such criteria may

1 include giving preference to nonprofit housing organizations and  
2 housing authorities that propose affordable housing developments which:  
3 (i) Serve the lowest income populations or special needs  
4 populations;  
5 (ii) Create the greatest number of units;  
6 (iii) Preserve the affordability of those units for the longest  
7 periods of time; and  
8 (iv) Integrate other supportive services.  
9 (c) The deed transferring the property sold under this section must  
10 include a condition that if the nonprofit housing organization or  
11 housing authority is found to be significantly out of compliance with  
12 the written commitment made upon purchase of the property, as required  
13 in (a) of this subsection, the nonprofit housing organization or  
14 housing authority shall remit to the state, city, town, or county, from  
15 which the property was purchased, the equivalent of ten percent of the  
16 property's appraised value as of the day of sale, plus interest on that  
17 ten percent which shall be calculated using the prevailing interest  
18 rate for superior court civil judgments.  
19 (d) After ninety days, if no purchase offers are made on behalf of  
20 a nonprofit housing organization or housing authority, which meet the  
21 requirements of (a) of this subsection, offers from the general public  
22 may be considered.  
23 (5) The department of community, trade, and economic development  
24 shall produce a single statewide report, to be provided to the  
25 appropriate committees of the legislature each year by December 31st,  
26 including information on all publicly owned surplus property that was  
27 purchased by a nonprofit housing organization or housing authority.  
28 The report shall include the following:  
29 (a) A list of all properties purchased and the identity of all  
30 corresponding nonprofit or housing authority purchasers;  
31 (b) For each property, the number of affordable housing units  
32 created, under development, and planned, including anticipated dates of  
33 completion if applicable;  
34 (c) For each property, a notation of the income level populations  
35 for which the housing units shall be available.  
36 (6) Real property which is designated or which was acquired from  
37 the federal government as state forest lands is exempt from this  
38 chapter.

1       **Sec. 2.** RCW 35.21.687 and 1995 c 399 s 37 are each amended to read  
2 as follows:

3       (1) Every city and town, including every code city operating under  
4 Title 35A RCW, shall identify and catalog real property owned by the  
5 city or town that is no longer required for its purposes and is  
6 suitable for the development of affordable housing for very low-income,  
7 low-income, and moderate-income households as defined in RCW  
8 43.63A.510. The inventory shall include the location, approximate  
9 size, and current zoning classification of the property. Every city  
10 and town shall provide a copy of the inventory to the department of  
11 community, trade, and economic development by November 1, 1993, with  
12 inventory revisions (~~each November 1 thereafter~~) provided monthly  
13 beginning in June 2006.

14       (2) (~~By November 1 of each year, beginning in 1994,~~) Property for  
15 sale, which is included in the inventory as required by subsection (1)  
16 of this section, shall be offered, for the first ninety days after its  
17 availability, exclusively to nonprofit housing organizations, as  
18 defined in RCW 43.63A.510, and housing authorities as required in RCW  
19 43.63A.510(4).

20       (3) Every city and town, including every code city operating under  
21 Title 35A RCW, shall regularly purge the inventory of real property of  
22 sites that are no longer available for the development of affordable  
23 housing. The inventory revision shall also contain a list of real  
24 property that has become available since the last update. The  
25 inventory revision shall be provided monthly to the department of  
26 community, trade, and economic development. As used in this section,  
27 "real property" means buildings, land, or buildings and land.

28       (4) An annual report must be submitted to the department of  
29 community, trade, and economic development, which shall include a list  
30 of all properties that were purchased by a nonprofit housing  
31 organization or housing authority. The report must also include all  
32 information required in RCW 43.63A.510(5).

33       (5) The department of community, trade, and economic development  
34 shall consolidate municipal reports required in subsection (4) of this  
35 section into the single statewide report on surplus property required  
36 in RCW 43.63A.510(5).

1       **Sec. 3.** RCW 36.34.137 and 1993 c 461 s 5 are each amended to read  
2 as follows:

3       (1) Every county shall identify and catalog real property owned by  
4 the county that is no longer required for its purposes and is suitable  
5 for the development of affordable housing for very low-income, low-  
6 income, and moderate-income households as defined in RCW 43.63A.510.  
7 The inventory shall include the location, approximate size, and current  
8 zoning classification of the property. Every county shall provide a  
9 copy of the inventory to the department of community, trade, and  
10 economic development (~~((by November 1, 1993))~~), with inventory revisions  
11 (~~((each November 1 thereafter))~~) provided monthly beginning in June 2006.

12       (2) (~~((By November 1 of each year, beginning in 1994,))~~) Property for  
13 sale, which is included in the inventory as required by subsection (1)  
14 of this section, shall be offered, for the first ninety days after its  
15 availability, exclusively to nonprofit housing organizations, as  
16 defined in RCW 43.63A.510, and housing authorities as required in RCW  
17 43.63A.510(4).

18       (3) Every county shall regularly purge the inventory of real  
19 property of sites that are no longer available for the development of  
20 affordable housing. The inventory revision shall include an updated  
21 listing of real property that has become available since the last  
22 update, and shall be provided monthly to the department of community,  
23 trade, and economic development. As used in this section, "real  
24 property" means buildings, land, or buildings and land.

25       (4) An annual report must be submitted to the department of  
26 community, trade, and economic development which shall include a list  
27 of all properties that were purchased by a nonprofit housing  
28 organization or housing authority. The report must also include all  
29 information required in RCW 43.63A.510(5).

30       (5) The department of community, trade, and economic development  
31 shall consolidate county reports required in subsection (4) of this  
32 section into the single statewide report on surplus property required  
33 in RCW 43.63A.510(5).

34       **Sec. 4.** RCW 43.20A.037 and 1995 c 399 s 65 are each amended to  
35 read as follows:

36       (1) The department shall identify and catalog real property that is  
37 no longer required for department purposes and is suitable for the

1 development of affordable housing for very low-income, and moderate-  
2 income households as defined in RCW 43.63A.510. The inventory shall  
3 include the location, approximate size, and current zoning  
4 classification of the property. The department shall provide a copy of  
5 the inventory to the department of community, trade, and economic  
6 development (~~by November 1, 1993, and every November 1 thereafter~~),  
7 with inventory revisions provided monthly beginning in June 2006.

8 (2) (~~By November 1 of each year, beginning in 1994,~~) Property for  
9 sale, which is included in the inventory as required by subsection (1)  
10 of this section, shall be offered, for the first ninety days after its  
11 availability, exclusively to nonprofit housing organizations, as  
12 defined in RCW 43.63A.510, and housing authorities as required in RCW  
13 43.63A.510(4).

14 (3) The department shall regularly purge the inventory of real  
15 property of sites that are no longer available for the development of  
16 affordable housing. The department shall include an updated listing of  
17 real property that has become available since the last update. The  
18 inventory revision shall be provided monthly to the department of  
19 community, trade, and economic development. As used in this section,  
20 "real property" means buildings, land, or buildings and land.

21 (4) An annual report must be submitted to the department of  
22 community, trade, and economic development which shall include a list  
23 of all properties that were purchased by a nonprofit housing  
24 organization or housing authority. The report must also include all  
25 information required in RCW 43.63A.510(5).

26 (5) The department of community, trade, and economic development  
27 shall include this information in the single statewide report on  
28 surplus property required in RCW 43.63A.510(5).

29 **Sec. 5.** RCW 47.12.063 and 2002 c 255 s 1 are each amended to read  
30 as follows:

31 (1) It is the intent of the legislature to continue the  
32 department's policy giving priority consideration to abutting property  
33 owners in agricultural areas when disposing of property through its  
34 surplus property program under this section.

35 (2) Whenever the department determines that any real property owned  
36 by the state of Washington and under the jurisdiction of the department  
37 is no longer required for transportation purposes and that it is in the

1 public interest to do so, the department may sell the property or  
2 exchange it in full or part consideration for land or improvements or  
3 for construction of improvements at fair market value to any of the  
4 following governmental entities or persons:

5 (a) In the case of property suitable for residential use, any  
6 nonprofit organization that is (i) dedicated to providing affordable  
7 housing to very low-income, low-income, and moderate-income households  
8 as defined in RCW 43.63A.510 and (ii) eligible to receive assistance  
9 through the Washington housing trust fund created in chapter 43.185  
10 RCW;

11 (b) Any other state agency;

12 ~~((b))~~ (c) The city or county in which the property is situated;

13 ~~((e))~~ (d) Any other municipal corporation;

14 ~~((d))~~ (e) Regional transit authorities created under chapter  
15 81.112 RCW;

16 ~~((e))~~ (f) The former owner of the property from whom the state  
17 acquired title;

18 ~~((f))~~ (g) In the case of residentially improved property, a  
19 tenant of the department who has resided thereon for not less than six  
20 months and who is not delinquent in paying rent to the state;

21 ~~((g))~~ (h) Any abutting private owner but only after each other  
22 abutting private owner (if any), as shown in the records of the county  
23 assessor, is notified in writing of the proposed sale. If more than  
24 one abutting private owner requests in writing the right to purchase  
25 the property within fifteen days after receiving notice of the proposed  
26 sale, the property shall be sold at public auction in the manner  
27 provided in RCW 47.12.283;

28 ~~((h))~~ (i) To any person through the solicitation of written bids  
29 through public advertising in the manner prescribed by RCW 47.28.050;

30 ~~((i))~~ (j) To any other owner of real property required for  
31 transportation purposes;

32 ~~((j) In the case of property suitable for residential use, any~~  
33 ~~nonprofit organization dedicated to providing affordable housing to~~  
34 ~~very low income, low income, and moderate income households as defined~~  
35 ~~in RCW 43.63A.510 and is eligible to receive assistance through the~~  
36 ~~Washington housing trust fund created in chapter 43.185 RCW;)) or~~

37 (k) A federally recognized Indian tribe within whose reservation  
38 boundary the property is located.

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

6 (4) Conveyances made pursuant to this section shall be by deed  
7 executed by the secretary of transportation and shall be duly  
8 acknowledged.

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

12 (6) An annual report must be submitted to the department of  
13 community, trade, and economic development which shall include a list  
14 of all properties that were purchased for the purpose of affordable  
15 housing development by a nonprofit housing organization or housing  
16 authority. The report must also include all information required in  
17 RCW 43.63A.510(5). The department of community, trade, and economic  
18 development shall include this information in the single statewide  
19 report on surplus property required in RCW 43.63A.510(5).

20 **Sec. 6.** RCW 47.12.064 and 1995 c 399 s 121 are each amended to  
21 read as follows:

22 (1) The department shall identify and catalog real property that is  
23 no longer required for department purposes and is suitable for the  
24 development of affordable housing for very low-income, low-income, and  
25 moderate-income households as defined in RCW 43.63A.510. The inventory  
26 shall include the location, approximate size, and current zoning  
27 classification of the property. The department shall provide a copy of  
28 the inventory to the department of community, trade, and economic  
29 development ~~((by November 1, 1993, and every November 1 thereafter))~~,  
30 with inventory revisions provided monthly beginning in June 2006.

31 ~~((By November 1 of each year, beginning in 1994,))~~ The  
32 department shall regularly purge the inventory of real property of  
33 sites that are no longer available for the development of affordable  
34 housing. The department shall include an updated listing of real  
35 property that has become available since the last update. The  
36 inventory revision shall be provided monthly to the department of

1 community, trade, and economic development. As used in this section,  
2 "real property" means buildings, land, or buildings and land.

3 (3) An annual report must be submitted to the department of  
4 community, trade, and economic development which shall include a list  
5 of all properties that were purchased by a nonprofit housing  
6 organization, as defined in RCW 43.63A.510, housing authority, or any  
7 other entity for the purpose of affordable housing development. The  
8 report must also include all information required in RCW 43.63A.510(5).

9 (4) The department of community, trade, and economic development  
10 shall include this information in the single statewide report on  
11 surplus property required in RCW 43.63A.510(5).

12 **Sec. 7.** RCW 72.09.055 and 1995 c 399 s 202 are each amended to  
13 read as follows:

14 (1) The department shall identify and catalog real property that is  
15 no longer required for department purposes and is suitable for the  
16 development of affordable housing for very low-income, low-income, and  
17 moderate-income households as defined in RCW 43.63A.510. The inventory  
18 shall include the location, approximate size, and current zoning  
19 classification of the property. The department shall provide a copy of  
20 the inventory to the department of community, trade, and economic  
21 development (~~by November 1, 1993, and every November 1 thereafter~~),  
22 with inventory revisions provided monthly beginning in June 2006.

23 ~~((By November 1 of each year, beginning in 1994,))~~ Property for  
24 sale, which is included in the inventory as required by subsection (1)  
25 of this section, shall be offered, for the first ninety days after its  
26 availability, exclusively to nonprofit housing organizations, as  
27 defined in RCW 43.63A.510, and housing authorities as required in RCW  
28 43.63A.510(4).

29 (3) The department shall regularly purge the inventory of real  
30 property of sites that are no longer available for the development of  
31 affordable housing. The department shall include an updated listing of  
32 real property that has become available since the last update. The  
33 inventory revision shall be provided monthly to the department of  
34 community, trade, and economic development. As used in this section,  
35 "real property" means buildings, land, or buildings and land.

36 (4) An annual report must be submitted to the department of  
37 community, trade, and economic development which shall include a list

1 of all properties that were purchased by a nonprofit housing  
2 organization or housing authority. The report must also include all  
3 information required in RCW 43.63A.510(5).

4 (5) The department of community, trade, and economic development  
5 shall include this information in the single statewide report on  
6 surplus property required in RCW 43.63A.510(5).

7 **Sec. 8.** RCW 43.19.19201 and 1995 c 399 s 64 are each amended to  
8 read as follows:

9 (1) The department of general administration shall identify and  
10 catalog real property that is no longer required for department  
11 purposes and is suitable for the development of affordable housing for  
12 very low-income, low-income, and moderate-income households as defined  
13 in RCW 43.63A.510. The inventory shall include the location,  
14 approximate size, and current zoning classification of the property.  
15 The department of general administration shall provide a copy of the  
16 inventory to the department of community, trade, and economic  
17 development (~~by November 1, 1993, and every November 1 thereafter~~),  
18 with inventory revisions provided monthly beginning in June 2006.

19 (2) (~~By November 1 of each year, beginning in 1994,~~) Property for  
20 sale, which is included in the inventory as required by subsection (1)  
21 of this section, shall be offered, for the first ninety days after its  
22 availability, exclusively to nonprofit housing organizations, as  
23 defined in RCW 43.63A.510, and housing authorities as required in RCW  
24 43.63A.510(4).

25 (3) The department of general administration shall regularly purge  
26 the inventory of real property of sites that are no longer available  
27 for the development of affordable housing. The department shall  
28 include an updated listing of real property that has become available  
29 since the last update. The inventory revision shall be provided  
30 monthly to the department of community, trade, and economic  
31 development. As used in this section, "real property" means buildings,  
32 land, or buildings and land.

33 (4) An annual report must be submitted to the department of  
34 community, trade, and economic development which shall include a list  
35 of all properties that were purchased by a nonprofit housing  
36 organization or housing authority. The report must also include all  
37 information required in RCW 43.63A.510(5).

1       (5) The department of community, trade, and economic development  
2 shall include this information in the single statewide report on  
3 surplus property required in RCW 43.63A.510(5).

4       **Sec. 9.** RCW 79A.05.170 and 1991 sp.s. c 13 s 23 are each amended  
5 to read as follows:

6       (1) Any lands owned by the state parks and recreation commission,  
7 which are determined to be surplus to the needs of the state for  
8 development for state park purposes and which the commission proposes  
9 to deed to a local government or other entity for outdoor recreation  
10 purposes, shall be accompanied by a clause requiring that if the land  
11 is not used for outdoor recreation purposes, ownership of the land  
12 shall revert to the state parks and recreation commission.

13       (2) The state parks and recreation commission, in cases where land  
14 subject to such a reversionary clause is proposed for use or disposal  
15 for purposes other than recreation, shall require that, if the land is  
16 surplus to the needs of the commission for park purposes at the time  
17 the commission becomes aware of its proposed use for nonrecreation  
18 purposes, the ~~((holder of the land or property shall reimburse the~~  
19 ~~commission for the release of the reversionary interest in the land.~~  
20 ~~The reimbursement shall be in the amount of the fair market value of~~  
21 ~~the reversionary interest as determined by a qualified appraiser~~  
22 ~~agreeable to the commission. Appraisal costs shall be borne by the~~  
23 ~~local entity which holds title to the land))~~ commission shall offer the  
24 property for sale, for the first ninety days after its availability,  
25 exclusively to nonprofit housing organizations, as defined in RCW  
26 43.63A.510, and housing authorities as required in RCW 43.63A.510. The  
27 commission shall provide a monthly revised inventory of real property  
28 sites that are available for the development of affordable housing.

29       (3) ~~((Any funds generated under a reimbursement under this section~~  
30 ~~shall be deposited in the parkland acquisition account which is hereby~~  
31 ~~created in the state treasury. Moneys in this account are to be used~~  
32 ~~solely for the purchase or acquisition of property for use as state~~  
33 ~~park property by the commission, as directed by the legislature; all~~  
34 ~~such funds shall be subject to legislative appropriation.))~~ An annual  
35 report must be submitted to the department of community, trade, and  
36 economic development which shall include a list of all properties that

1 were purchased by a nonprofit housing organization or housing  
2 authority. The report must also include all information required in  
3 RCW 43.63A.510(5).

4 (4) The department of community, trade, and economic development  
5 shall include this information in the single statewide report on  
6 surplus property required in RCW 43.63A.510(5).

7 **Sec. 10.** RCW 79A.05.175 and 1999 c 249 s 601 are each amended to  
8 read as follows:

9 Whenever the commission finds that any land under its control  
10 cannot advantageously be used for park purposes, it is authorized to  
11 dispose of such land by the method provided in this section or by the  
12 method provided in RCW 79A.05.170. If such lands are school or other  
13 grant lands, control thereof shall be relinquished by resolution of the  
14 commission to the proper state officials. If such lands were acquired  
15 under restrictive conveyances by which the state may hold them only so  
16 long as they are used for park purposes, they may be returned to the  
17 donor or grantors by the commission. All other such lands must be sold  
18 by the method provided for in RCW 79A.05.170. After the first ninety  
19 days that the property becomes available, if no purchase offers are  
20 made on behalf of a nonprofit housing organization, as defined in RCW  
21 43.63A.510, or housing authority, which meet the requirements of RCW  
22 43.63A.510(4)(a), offers from the general public may be considered,  
23 lands may be either sold by the commission to the highest bidder or  
24 exchanged for other lands of equal value by the commission, and all  
25 conveyance documents shall be executed by the governor. All such  
26 exchanges shall be accompanied by a transfer fee, to be set by the  
27 commission and paid by the other party to the transfer; such fee shall  
28 be paid into the parkland acquisition account established under RCW  
29 79A.05.170. Sealed bids on all sales shall be solicited at least  
30 twenty days in advance of the sale date by an advertisement appearing  
31 at least once a week for two consecutive weeks in a newspaper of  
32 general circulation in the county in which the land to be sold is  
33 located. If the commission feels that no bid received adequately  
34 reflects the fair value of the land to be sold, it may reject all bids,  
35 and may call for new bids. All proceeds derived from the sale of such  
36 park property shall be paid into the park land acquisition account.  
37 All land considered for exchange shall be evaluated by the commission

1 to determine its adaptability to park usage. The equal value of all  
2 lands exchanged shall first be determined by the appraisals to the  
3 satisfaction of the commission. No sale or exchange of state park  
4 lands shall be made without the unanimous consent of the commission.

5 **Sec. 11.** RCW 79.11.005 and 2003 c 334 s 201 are each amended to  
6 read as follows:

7 (1) The department is authorized to sell any real property not  
8 designated or acquired as state forest lands, but acquired by the  
9 state, either in the name of the forest board, the forestry board, or  
10 the division of forestry, for administrative sites, lien foreclosures,  
11 or other purposes whenever it shall determine that the lands are no  
12 longer or not necessary for public use.

13 (2) Property for sale shall be offered, for the first ninety days  
14 after its availability, exclusively to nonprofit housing organizations,  
15 as defined in RCW 43.63A.510, and housing authorities as required in  
16 RCW 43.63A.510(4).

17 (3) After ninety days, if no purchase offers are made on behalf of  
18 a nonprofit housing organization or housing authority which meet the  
19 requirements of RCW 43.63A.510(4)(a), offers from the general public  
20 may be considered and sales to the general public may be conducted  
21 under subsection (4) of this section.

22 (4) The sale of property to the general public may be made after  
23 public notice to the highest bidder for such a price as approved by the  
24 governor, but not less than the fair market value of the real property,  
25 plus the value of improvements thereon. Any instruments necessary to  
26 convey title must be executed by the governor in a form approved by the  
27 attorney general.

28 ~~((3))~~ (5) All amounts received from ~~((the sale))~~ all sales must  
29 be credited to the fund of the department of government that is  
30 responsible for the acquisition and maintenance of the property sold.

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