H-0983.5				

HOUSE BILL 2016

State of Washington 60th Legislature 2007 Regular Session

By Representatives Springer, Lantz, Wallace, Seaquist, P. Sullivan, Moeller, Lovick, Takko, Kessler, Morrell, Rolfes, Ericks, VanDeWege, Goodman, Simpson, Linville and Ormsby

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- AN ACT Relating to eminent domain; amending RCW 8.25.010, 8.25.020, 35.80A.030, 36.68.010, 47.52.050, 53.25.040, 79.36.330, 80.28.230, and 80.40.030; adding new sections to chapter 8.25 RCW; adding a new section to chapter 8.04 RCW; adding a new section to chapter 8.08 RCW; adding a new section to chapter 8.12 RCW; adding a new section to chapter 8.16 RCW; adding a new section to chapter 8.20 RCW; adding a new section to chapter 35.81 RCW; and creating a new section.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 9 **Sec. 1.** RCW 8.25.010 and 1965 ex.s. c 125 s 1 are each amended to read as follows:
- In all actions for the condemnation of property, or any interest therein, at least thirty days prior to the date set for trial of such action the condemnor shall serve on each condemnee who has made an appearance in the action:
- 15 <u>(1) A</u> written statement showing the amount of total just 16 compensation to be paid in the event of settlement ((on each condemnee 17 who has made an appearance in the action));
- 18 <u>(2) A written statement documenting the condemnor's consideration</u>
 19 of and reasons for rejecting alternatives to the condemnation sought or

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- 1 to the nature or extent of the condemnation sought, including but not
- 2 <u>limited to any reasonable alternative suggested in writing by a</u>
- 3 condemnee at least sixty days prior to the date set for trial.

Sec. 2. RCW 8.25.020 and 1999 c 52 s 1 are each amended to read as follows:

There shall be paid by the condemnor in respect of each parcel of real property acquired by eminent domain or by consent under threat thereof, in addition to the fair market value of the property, a sum equal to the various expenditures actually and reasonably incurred by those with an interest or interests in said parcel in the process of evaluating the condemnor's offer to buy the same, but not to exceed ((a total of seven hundred fifty dollars)) the lesser of one percent of the value of the parcel as determined by the condemnor's appraisal or five thousand dollars. Such expenditures may include, but are not limited to, reasonable fees of appraisers, attorneys, architects, engineers, or other persons reasonably retained by the condemnee to evaluate the offer. In the case of multiple interests in a parcel, the division of such sum shall be determined by the court or by agreement of the parties.

NEW SECTION. **Sec. 3.** A new section is added to chapter 8.25 RCW to read as follows:

When real property is acquired through condemnation or under the threat of condemnation, the owner of the property may retain an option to repurchase the property in accordance with this section. If the owner elects to retain such an option, it shall be a part of the purchase and sale agreement or other agreement for the transfer of the property to the acquiring entity. In any condemnation proceeding to determine just compensation for the taking of property in which the owner has retained an option to repurchase, the amount of just compensation to be paid shall be reduced by the value of the repurchase option. No repurchase option shall be provided if the amount of just compensation paid by the acquiring entity is not reduced by the value of the repurchase option.

(1) Any entity seeking to acquire real property through condemnation or under the threat of condemnation must notify the owner

in writing of the right under this section to retain a repurchase option. The notice must be given:

- 3 (a) In the case of the state or other entity operating under the 4 procedures of chapter 8.04 RCW, with the notice given under RCW 5 8.04.020;
- 6 (b) In the case of a county or other entity operating under the 7 procedures of chapter 8.08 RCW, with the notice given under RCW 8 8.08.030;
- 9 (c) In the case of a city, town, or other entity operating under 10 the procedures of chapter 8.12 RCW, with the summons served under RCW 11 8.12.070;
- 12 (d) In the case of a school district or other entity operating 13 under the procedures of chapter 8.16 RCW, with the notice given under 14 RCW 8.16.030;
- (e) In the case of a corporation or other entity operating under the procedures of chapter 8.20 RCW, with the notice given under RCW 8.20.020; and

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- (f) In the case of any other entity, with the service of process commencing the action for condemnation.
- (2) If, within seven years after the date real property was transferred to an acquiring entity through or under the threat of condemnation, the acquiring entity determines that all or a portion of the property or an interest in the property is no longer necessary for a public purpose and should be sold, a former owner who elected to retain a repurchase option may exercise that option in accordance with this section. "Former owner" means the person or persons from whom the acquiring entity acquired title or that person's or those persons' successors or assigns to the property or property interest that is subject to the repurchase right.
- (a) At least ninety days prior to the date on which the acquiring entity will announce a public process for property disposition or, if the sale is to be negotiated, at least ninety days prior to the date on which a purchase and sale agreement or similar document is to be signed, the acquiring entity shall (i) publish notice of its determination to sell the property or a portion of the property in a legal newspaper of general circulation in the area where the property to be sold is located, (ii) describe generally any easements, other restrictions, or reserved rights the acquiring entity intends to retain

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upon sale, and (iii) mail notice of the determination to the former owner of the property at the former owner's last known address or to a forwarding address if that owner has provided the acquiring entity with a forwarding address.

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- (b) If the former owner notifies the acquiring entity in writing within thirty days of the date of notice provided under (a) of this subsection that the former owner intends to exercise the repurchase right granted by this section, the acquiring entity shall, unless it already has a completed current independent appraisal for the property, immediately arrange for an independent appraisal to determine the fair market value of the property or portion of property subject to repurchase, adjusted to reflect the value of any physical changes to the property, such as improvements or removal of structures. thirty days of receipt of the former owner's notice of intent to exercise the repurchase right or following the acquiring entity's receipt of the appraisal, the acquiring entity shall provide the former owner with a written copy of the appraisal. All costs of appraisal shall be paid by the acquiring entity. If the former owner does not provide timely written notice to the acquiring entity of the intent to exercise a repurchase right, that right is extinguished and the acquiring entity is relieved of any further obligation under this section.
- (c) Within thirty days of the date the acquiring entity provides a written copy of the appraisal to the former owner under (b) of this subsection, the former owner may exercise the repurchase right granted by this section by delivering to the acquiring entity earnest money or a deposit in a form determined by the acquiring entity in an amount equal to five percent of the appraised value, together with a written promise to pay, within thirty days, the following:
- (i) The lesser of (A) the appraised value less the earnest money or deposit, or (B) an amount equal to the compensation received from the acquiring entity when the property or portion of property was condemned or sold under threat of condemnation, with interest accrued at the market rate, and with the amount adjusted to reflect the value of any physical changes to the property, such as improvements or removal of structures, as determined by the independent appraisal, less the earnest money or deposit; and

1 (ii) All required fees and costs otherwise required for the 2 transfer of real property.

- (d) Upon receipt of the full payment required in (c) of this subsection, the acquiring entity shall transfer title to the former owner, subject to any easements, other restrictions, or reserved rights retained by the acquiring entity. If the former owner fails to complete the sale, the earnest money or deposit is forfeited to the acquiring entity, the former owner's repurchase right is extinguished, and the acquiring entity is relieved of any further obligation under this section.
- (e) In the event that the acquiring entity and the former owner cannot agree on the amount of compensation paid for a portion of the property under (c)(i)(B) of this subsection, the acquiring entity and the former owner shall each arrange for an independent appraisal of the just compensation allocation to the portion of the property to be sold. If the acquiring entity and the former owner cannot then agree on the amount, either party may initiate a lawsuit to determine the amount, or they may agree to binding arbitration in which case the appraisals shall be submitted to a third, independent appraiser. The third appraiser shall sit as an arbitrator and determine the amount of just compensation under (c)(i)(B) of this subsection. The arbitrator's decision shall be final and binding. The acquiring entity and former owner shall bear their own costs and fees, and pay equally the costs and fees of the arbitrator.
- (3) The acquiring entity may reject a notice of intent under subsection (2)(b) of this section received from a person claiming to be a successor or assignee that is not accompanied by evidence sufficient to demonstrate that the person is the successor or assignee of the person from whom the acquiring entity acquired title.
- (4) The obligations imposed on an acquiring entity in this section are in addition to any provided by law for the surplusing or sale of public property to private parties. Nothing in this section precludes an acquiring entity from retaining the property and determining not to surplus and sell the property.
- **Sec. 4.** RCW 35.80A.030 and 1989 c 271 s 241 are each amended to read as follows:
- A county, city, or town may dispose of real property acquired

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pursuant to this section to private persons only under such reasonable, 1 2 competitive procedures as it shall prescribe. The county, city, or town may accept such proposals as it deems to be in the public interest 3 and in furtherance of the purposes of this chapter. Thereafter, the 4 5 county, city, or town may execute and deliver contracts, deeds, leases, and other instruments of transfer. This section is subject to and 6 7 operates only to the extent its application is not inconsistent with the operation of section 3 of this act with respect to property 8 9 acquired through or under the threat of condemnation.

Sec. 5. RCW 36.68.010 and 1963 c 4 s 36.68.010 are each amended to read as follows:

Counties may establish park and playground systems for public recreational purposes and for such purposes shall have the power to acquire lands, buildings and other facilities by gift, purchase, lease, devise, bequest and condemnation. A county may lease or sell any park property, buildings or facilities surplus to its needs, or no longer suitable for park purposes: PROVIDED, That such park property shall be subject to the requirements and provisions of notice, hearing, bid or intergovernmental transfer as provided in chapter 36.34 RCW: PROVIDED FURTHER, That nothing in this section shall be construed as authorizing any county to sell any property which such county acquired by condemnation for park or playground or other public recreational purposes on or after January 1, 1960, until held for five years or more after such acquisition: PROVIDED FURTHER, That funds acquired from the lease or sale of any park property, buildings or facilities shall be placed in the park and recreation fund to be used for capital purposes. This section is subject to and operates only to the extent its application is not inconsistent with the operation of section 3 of this act with respect to property acquired through or under the threat of condemnation.

- Sec. 6. RCW 47.52.050 and 1971 ex.s. c 39 s 1 are each amended to read as follows:
- 33 (1) For the purpose of this chapter the highway authorities of the 34 state, counties and incorporated cities and towns, respectively, or in 35 cooperation one with the other, may acquire private or public property 36 and property rights for limited access facilities and service roads,

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including rights of access, air, view and light, by gift, devise, 1 2 purchase, or condemnation, in the same manner as such authorities are now or hereafter may be authorized by law to acquire property or 3 property rights in connection with highways and streets within their 4 respective jurisdictions. Except as otherwise provided in subsection 5 (2) of this section all property rights acquired under the provisions 6 7 of this chapter shall be in fee simple. In the acquisition of property or property rights for any limited access facility or portion thereof, 8 or for any service road in connection therewith, the state, county, 9 incorporated city and town authority may, in its discretion, acquire an 10 entire lot, block or tract of land, if by so doing the interest of the 11 12 public will be best served, even though said entire lot, block or tract 13 is not immediately needed for the limited access facility. 14 subsection is subject to and operates only to the extent its application is not inconsistent with the operation of section 3 of this 15 act with respect to property acquired through or under the threat of 16 17 condemnation.

(2) The highway authorities of the state, counties, and incorporated cities and towns may acquire by gift, devise, purchase, or condemnation a three dimensional air space corridor in fee simple over or below the surface of the ground, together with such other property in fee simple and other property rights as are needed for the construction and operation of a limited access highway facility, but only if the acquiring authority finds that the proposal will not:

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- (a) impair traffic safety on the highway or interfere with the free flow of traffic; or
- 27 (b) permit occupancy or use of the air space above or below the 28 highway which is hazardous to the operation of the highway.
- 29 **Sec. 7.** RCW 53.25.040 and 1989 c 167 s 1 are each amended to read 30 as follows:
 - (1) A port commission may, after a public hearing thereon, of which at least ten days' notice shall be published in a newspaper of general circulation in the port district, create industrial development districts within the district and define the boundaries thereof, if it finds that the creation of the industrial development district is proper and desirable in establishing and developing a system of harbor improvements and industrial development in the port district.

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(2) The boundaries of an industrial development district created by subsection (1) of this section may be revised from time to time by resolution of the port commission, to delete land area therefrom, if the land area to be deleted was acquired by the port district with its own funds or by gift or transfer other than pursuant to RCW 53.25.050 or 53.25.060.

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As to any land area to be deleted under this subsection that was acquired or improved by the port district with funds obtained through RCW 53.36.100, the port district shall deposit funds equal to the fair market value of the lands and improvements into the fund for future use described in RCW 53.36.100 and such funds shall be thereafter subject to RCW 53.36.100. The fair market value of the land and improvements shall be determined as of the effective date of the port commission action deleting the land from the industrial development district and shall be determined by an average of at least two independent appraisals by professionally designated real estate appraisers as defined in RCW 74.46.020 or licensed real estate brokers. shall be deposited into the fund for future use described in RCW 53.36.100 within ninety days of the effective date of the port commission action deleting the land area from the industrial district. Land areas deleted from an industrial development district under this subsection shall not be further subject to the provisions of this chapter. This subsection shall apply to presently existing and future industrial development districts. Land areas deleted from industrial development district under this subsection that were included within such district for less than two years, if the port district acquired the land through condemnation or as a consequence of threatened condemnation, shall be offered for sale, for cash, at the appraised price, to the former owner of the property from whom the district obtained title. Such offer shall be made by certified or registered letter to the last known address of the former owner. letter shall include the appraised price of the property and notice that the former owner must respond in writing within thirty days or lose the right to purchase. If this right to purchase is exercised, the sale shall be closed by midnight of the sixtieth day, including nonbusiness days, following close of the thirty-day period. section is subject to and operates only to the extent its application

- 1 <u>is not inconsistent with the operation of section 3 of this act with</u>
- 2 respect to property acquired through or under the threat of
- 3 <u>condemnation</u>.

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Sec. 8. RCW 79.36.330 and 2004 c 199 s 217 are each amended to read as follows:

In the event the department should determine that the property interests acquired under the authority of this chapter are no longer necessary for the purposes for which they were acquired, the department shall dispose of the same in the following manner, when in the discretion of the department it is to the best interests of the state of Washington to do so, except that property purchased with educational funds or held in trust for educational purposes shall be sold only in the same manner as are state lands:

- (1) Where the state property necessitating the acquisition of private property interests for access purposes under authority of this chapter is sold or exchanged, the acquired property interests may be sold or exchanged as an appurtenance of the state property when it is determined by the department that sale or exchange of the state property and acquired property interests as one parcel is in the best interests of the state.
- (2) If the acquired property interests are not sold or exchanged as provided in subsection (1) of this section, the department shall notify the person or persons from whom the property interest was acquired, stating that the property interests are to be sold, and that the person or persons shall have the right to purchase the same at the appraised price. The notice shall be given by registered letter or certified mail, return receipt requested, mailed to the last known address of the person or persons. If the address of the person or persons is unknown, the notice shall be published twice in an official newspaper of general circulation in the county where the lands or a portion thereof is The second notice shall be published not less than ten nor more than thirty days after the notice is first published. or persons shall have thirty days after receipt of the registered letter or five days after the last date of publication, as the case may be, to notify the department, in writing, of their intent to purchase the offered property interest. The purchaser shall include with his or her notice of intention to purchase, cash payment, certified check, or

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money order in an amount not less than one-third of the appraised price. No instrument conveying property interests shall issue from the department until the full price of the property is received by the department. All costs of publication required under this section shall be added to the appraised price and collected by the department upon sale of the property interests.

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- (3) If the property interests are not sold or exchanged as provided in subsections (1) and (2) of this section, the department shall notify the owners of land abutting the property interests in the same manner as provided in subsection (2) of this section and their notice of intent to purchase shall be given in the manner and in accordance with the same time limits as are set forth in subsection (2) of this section. However, if more than one abutting owner gives notice of intent to purchase the property interests, the department shall apportion them in relation to the lineal footage bordering each side of the property interests to be sold, and apportion the costs to the interested purchasers in relation thereto. Further, no sale is authorized by this section unless the department is satisfied that the amounts to be received from the several purchasers will equal or exceed the appraised price of the entire parcel plus any costs of publishing notices.
- (4) If no sale or exchange is consummated as provided in subsections (1) through (3) of this section, the department shall sell the properties in the same manner as state lands are sold.
 - (5) Any disposal of property interests authorized by this chapter shall be subject to any existing rights previously granted by the department.
- (6) This section is subject to and operates only to the extent its application is not inconsistent with the operation of section 3 of this act with respect to property acquired through or under the threat of condemnation.
- 32 **Sec. 9.** RCW 80.28.230 and 1961 c 14 s 80.28.230 are each amended to read as follows:

Any property or interest acquired as provided in RCW 80.28.220 shall be used exclusively for the purposes for which it was acquired: PROVIDED, HOWEVER, That if any such property be sold or otherwise disposed of by said corporations, such sale or disposition shall be by

- 1 public sale or disposition and advertised in the manner of public sales
- 2 in the county where such property is located. This section is subject
- 3 to and operates only to the extent its application is not inconsistent
- 4 with the operation of section 3 of this act with respect to property
- 5 <u>acquired through or under the threat of condemnation.</u>
- 6 **Sec. 10.** RCW 80.40.030 and 1963 c 201 s 4 are each amended to read 7 as follows:

Any natural gas company having received an order under RCW 8 80.40.040 shall have the right of eminent domain to be exercised in the 9 10 manner provided in and subject to the provisions of chapter 8.20 RCW to 11 acquire for its use for the underground storage of natural gas any 12 underground reservoir, as well as such other property or interests in 13 property as may be required to adequately maintain and utilize the underground reservoir for the underground storage of natural gas, 14 including easements and rights of way for access to and egress from the 15 16 underground storage reservoir. The right of eminent domain granted 17 hereby shall apply to property or property interests held in private ownership, provided condemnor has exercised good faith in negotiations 18 for private sale or lease. No property shall be taken or damaged until 19 20 the compensation to be made therefor shall have been ascertained and 21 paid. Any property or interest therein so acquired by any natural gas company shall be used exclusively for the purposes for which it was 22 23 acquired. Any decree of appropriation hereunder shall define and limit 24 the rights condemned and shall provide for the reversion of such rights 25 to the defendant or defendants or their successors in interest upon 26 abandonment of the underground storage project. Good faith exploration 27 work or development work relative to the storage reservoir conclusive evidence that its use has not been abandoned. The court may 28 29 include in such decree such other relevant conditions, covenants and restrictions as it may deem fair and equitable. 30 This section is 31 subject to and operates only to the extent its application is not inconsistent with the operation of section 3 of this act with respect 32 to property acquired through or under the threat of condemnation. 33

NEW SECTION. Sec. 11. A new section is added to chapter 8.04 RCW to read as follows:

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- 1 (1) No public entity that is subject to this chapter or that 2 derives authority from this chapter may take private property solely 3 for the purpose of economic development.
 - (2) For the purposes of this section, "economic development" means the acquisition or use of real property to increase tax revenue, tax base, employment, or economic health. For the purposes of this section, "economic development" does not include the acquisition or use of real property for the primary purpose of:
 - (a) The transfer of real property to public ownership;

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- 10 (b) The transfer of real property to a private entity that is a common carrier, such as a utility or railroad;
 - (c) The transfer of real property to a private entity when acquisition or appropriation is necessary to remove a threat to public health or safety;
 - (d) The transfer of real property to a private entity when acquisition or appropriation is necessary for the removal of unsanitary or unsafe conditions, conditions that endanger life or property by fire or other causes, conditions conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, hazardous soils, substances, or materials, or conditions detrimental to or constituting a menace to the public health, safety, welfare, and morals in its present condition and use;
- (e) The transfer of real property to a private entity when acquisition or appropriation is necessary for the acquisition of abandoned property; or
- 26 (f) The lease of real property to a private entity that occupies an 27 area within a public project or facility.
- 28 (3) This section does not apply to port districts and does not by 29 implication increase, decrease, or alter port districts' powers of 30 eminent domain.
- 31 <u>NEW SECTION.</u> **Sec. 12.** A new section is added to chapter 8.08 RCW 32 to read as follows:
- 33 (1) No public entity that is subject to this chapter or that 34 derives authority from this chapter may take private property solely 35 for the purpose of economic development.
- 36 (2) For the purposes of this section, "economic development" means 37 the acquisition or use of real property to increase tax revenue, tax

- base, employment, or economic health. For the purposes of this
 section, "economic development" does not include the acquisition or use
 of real property for the primary purpose of:
 - (a) The transfer of real property to public ownership;

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- (b) The transfer of real property to a private entity that is a common carrier, such as a utility or railroad;
- (c) The transfer of real property to a private entity when acquisition or appropriation is necessary to remove a threat to public health or safety;
- (d) The transfer of real property to a private entity when acquisition or appropriation is necessary for the removal of unsanitary or unsafe conditions, conditions that endanger life or property by fire or other causes, conditions conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, hazardous soils, substances, or materials, or conditions detrimental to or constituting a menace to the public health, safety, welfare, and morals in its present condition and use;
- (e) The transfer of real property to a private entity when acquisition or appropriation is necessary for the acquisition of abandoned property; or
- 21 (f) The lease of real property to a private entity that occupies an 22 area within a public project or facility.
- 23 (3) This section does not apply to port districts and does not by 24 implication increase, decrease, or alter port districts' powers of 25 eminent domain.
- NEW SECTION. Sec. 13. A new section is added to chapter 8.12 RCW to read as follows:
- 28 (1) No public entity that is subject to this chapter or that 29 derives authority from this chapter may take private property solely 30 for the purpose of economic development.
 - (2) For the purposes of this section, "economic development" means the acquisition or use of real property to increase tax revenue, tax base, employment, or economic health. For the purposes of this section, "economic development" does not include the acquisition or use of real property for the primary purpose of:
 - (a) The transfer of real property to public ownership;

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1 (b) The transfer of real property to a private entity that is a 2 common carrier, such as a utility or railroad;

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- (c) The transfer of real property to a private entity when acquisition or appropriation is necessary to remove a threat to public health or safety;
- (d) The transfer of real property to a private entity when acquisition or appropriation is necessary for the removal of unsanitary or unsafe conditions, conditions that endanger life or property by fire or other causes, conditions conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, hazardous soils, substances, or materials, or conditions detrimental to or constituting a menace to the public health, safety, welfare, and morals in its present condition and use;
- 14 (e) The transfer of real property to a private entity when 15 acquisition or appropriation is necessary for the acquisition of 16 abandoned property; or
- 17 (f) The lease of real property to a private entity that occupies an 18 area within a public project or facility.
- 19 (3) This section does not apply to port districts and does not by 20 implication increase, decrease, or alter port districts' powers of 21 eminent domain.
- NEW SECTION. Sec. 14. A new section is added to chapter 8.16 RCW to read as follows:
 - (1) No public entity that is subject to this chapter or that derives authority from this chapter may take private property solely for the purpose of economic development.
 - (2) For the purposes of this section, "economic development" means the acquisition or use of real property to increase tax revenue, tax base, employment, or economic health. For the purposes of this section, "economic development" does not include the acquisition or use of real property for the primary purpose of:
 - (a) The transfer of real property to public ownership;
- 33 (b) The transfer of real property to a private entity that is a common carrier, such as a utility or railroad;
- 35 (c) The transfer of real property to a private entity when 36 acquisition or appropriation is necessary to remove a threat to public 37 health or safety;

(d) The transfer of real property to a private entity when acquisition or appropriation is necessary for the removal of unsanitary or unsafe conditions, conditions that endanger life or property by fire or other causes, conditions conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, hazardous soils, substances, or materials, or conditions detrimental to or constituting a menace to the public health, safety, welfare, and morals in its present condition and use;

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- 9 (e) The transfer of real property to a private entity when 10 acquisition or appropriation is necessary for the acquisition of 11 abandoned property; or
- 12 (f) The lease of real property to a private entity that occupies an 13 area within a public project or facility.
- 14 (3) This section does not apply to port districts and does not by 15 implication increase, decrease, or alter port districts' powers of 16 eminent domain.
- NEW SECTION. Sec. 15. A new section is added to chapter 8.20 RCW to read as follows:
 - (1) No public entity that is subject to this chapter or that derives authority from this chapter may take private property solely for the purpose of economic development.
 - (2) For the purposes of this section, "economic development" means the acquisition or use of real property to increase tax revenue, tax base, employment, or economic health. For the purposes of this section, "economic development" does not include the acquisition or use of real property for the primary purpose of:
 - (a) The transfer of real property to public ownership;
- 28 (b) The transfer of real property to a private entity that is a 29 common carrier, such as a utility or railroad;
 - (c) The transfer of real property to a private entity when acquisition or appropriation is necessary to remove a threat to public health or safety;
 - (d) The transfer of real property to a private entity when acquisition or appropriation is necessary for the removal of unsanitary or unsafe conditions, conditions that endanger life or property by fire or other causes, conditions conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, hazardous

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soils, substances, or materials, or conditions detrimental to or constituting a menace to the public health, safety, welfare, and morals in its present condition and use;

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- (e) The transfer of real property to a private entity when acquisition or appropriation is necessary for the acquisition of abandoned property; or
- 7 (f) The lease of real property to a private entity that occupies an 8 area within a public project or facility.
- 9 (3) This section does not apply to port districts and does not by implication increase, decrease, or alter port districts' powers of eminent domain.
- NEW SECTION. Sec. 16. A new section is added to chapter 8.25 RCW to read as follows:
- 14 (1) No public entity may take private property solely for the purpose of economic development.
 - (2) For the purposes of this section, "economic development" means the acquisition or use of real property to increase tax revenue, tax base, employment, or economic health. For the purposes of this section, "economic development" does not include the acquisition or use of real property for the primary purpose of:
 - (a) The transfer of real property to public ownership;
- (b) The transfer of real property to a private entity that is a common carrier, such as a utility or railroad;
 - (c) The transfer of real property to a private entity when acquisition or appropriation is necessary to remove a threat to public health or safety;
 - (d) The transfer of real property to a private entity when acquisition or appropriation is necessary for the removal of unsanitary or unsafe conditions, conditions that endanger life or property by fire or other causes, conditions conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, hazardous soils, substances, or materials, or conditions detrimental to or constituting a menace to the public health, safety, welfare, and morals in its present condition and use;
- 35 (e) The transfer of real property to a private entity when 36 acquisition or appropriation is necessary for the acquisition of 37 abandoned property; or

- 1 (f) The lease of real property to a private entity that occupies an 2 area within a public project or facility.
- 3 (3) This section does not apply to port districts and does not by 4 implication increase, decrease, or alter port districts' powers of 5 eminent domain.
- 6 <u>NEW SECTION.</u> **Sec. 17.** A new section is added to chapter 35.81 RCW to read as follows:
- Acquisitions of property through the exercise of the power of 9 eminent domain under this chapter are subject to sections 12 and 13 of 10 this act.
- NEW SECTION. Sec. 18. (1) Section 2 of this act applies to condemnation proceedings commenced before the effective date of this act in which a judgment for damages or decree of appropriation, or equivalent, has not yet been entered as of the effective date of this act, and to condemnation proceedings commenced on or after the effective date of this act.
- 17 (2) Sections 1 and 3 through 17 of this act apply to condemnation 18 proceedings commenced on or after the effective date of this act.

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