

SHB 2138 - S COMM AMD

By Committee on Ways & Means

1       Strike everything after the enacting clause and insert the  
2 following:

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

5       (1) The department shall work with ~~((the departments of natural~~  
6 ~~resources, transportation, social and health services, corrections, and~~  
7 ~~general administration)) state and local governmental entities to  
8 identify and catalog surplus or underutilized~~((, state owned land and~~  
9 ~~property)) real property owned by these governmental entities suitable  
10 for the development of affordable housing for extremely low-income,  
11 very low-income, low-income, or moderate-income households. The state  
12 and local governmental entities subject to the requirements of this  
13 section are the departments of natural resources, transportation,  
14 social and health services, corrections, ~~((and))~~ general administration  
15 ~~((shall)),~~ and public lands, and the state parks and recreation  
16 commission, counties, cities, and towns. These governmental entities  
17 must provide upon request an inventory of surplus or underutilized real  
18 property that is owned or administered by each ~~((agency))~~ governmental  
19 entity and is available for lease or sale. ~~((The inventories shall be~~  
20 ~~provided to the department by November 1, 1993, with inventory~~  
21 ~~revisions provided each November 1 thereafter.)) Each inventory must  
22 contain descriptive information about each property that includes, if  
23 known, the contact information for the property and the location,  
24 approximate size, sale or lease price and terms, and current zoning  
25 classification of the property. Each inventory must be updated at  
26 least once a year, and printed and electronic copies of each inventory  
27 must be provided upon request.~~~~~~

28       (2) ~~((Upon written request, the department shall provide a copy of~~  
29 ~~the inventory of state owned and publicly owned lands and buildings to~~  
30 ~~parties interested in developing the sites for affordable housing.~~

1        ~~(3)~~) Surplus property for sale by the governmental entities  
2 subject to the requirements of this section, and which is suitable for  
3 the development of affordable housing, must be offered for at least the  
4 first one hundred eighty days after its availability for sale,  
5 exclusively to eligible organizations, for the purpose of developing  
6 affordable housing. Eligible organizations have the right of first  
7 opportunity to obtain these surplus properties by purchase, lease,  
8 exchange, or donation, under reasonable option and conveyance  
9 conditions, in return for a commitment to provide affordable housing  
10 for at least thirty years. Governmental entities subject to this  
11 section have the sole authority to determine: (a) Whether or not  
12 property is surplus; (b) whether or not the property is suitable for  
13 the development of affordable housing for extremely low-income, very  
14 low-income, and low-income persons or families; and (c) what  
15 constitutes reasonable option and conveyance conditions for the  
16 purchase, lease, exchange, or donation of the property.

17        (3) A governmental entity that sells real property to an eligible  
18 entity under this section may do so at a price that is less than fair  
19 market value, provided that the affordable housing developed on the  
20 property is occupied solely by individuals or families who are  
21 extremely low, very low, or low income.

22        (4) Each governmental entity subject to the requirements of this  
23 section must develop the criteria and procedures necessary for  
24 inventorying surplus property and offering it for sale, lease,  
25 exchange, or donation to eligible organizations.

26        (5) As used in this section:

27        (a) "Affordable housing" means residential housing that is rented  
28 or owned by a person who qualifies as ((a)) an extremely low-income,  
29 very low-income, low-income, or moderate-income household or who is  
30 from a special needs population, and whose monthly housing costs,  
31 including utilities other than telephone, do not exceed thirty percent  
32 of the household's monthly income.

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

37        (c) "Low-income household" means a single person, family, or

1 unrelated persons living together whose income is more than fifty  
2 percent but is at or below eighty percent of the median income where  
3 the affordable housing is located.

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

8 (e) "Eligible organization" means any city, town, or county  
9 government, local housing authority, public development authority,  
10 community renewal agency, regional support network established under  
11 chapter 71.24 RCW, nonprofit community or neighborhood-based  
12 organization, federally recognized Indian tribe in the state of  
13 Washington, or regional or statewide nonprofit housing assistance  
14 organization, each having experience in the development of affordable  
15 housing.

16 (f) "Real property" means land, buildings, or buildings and land.

17 (g) "Extremely low-income household" means a single person, family,  
18 or unrelated persons living together whose income is at or below thirty  
19 percent of the median income, adjusted for household size, for the  
20 county where the affordable housing is located.

21 **Sec. 2.** RCW 47.12.063 and 2006 c 17 s 2 are each amended to read  
22 as follows:

23 (1) It is the intent of the legislature to continue the  
24 department's policy giving priority consideration to abutting property  
25 owners in agricultural areas when disposing of property through its  
26 surplus property program under this section. With respect to surplus  
27 property in nonagricultural areas that is suitable for residential use,  
28 the department shall give priority to selling, leasing, exchanging, or  
29 donating the property to a public entity or private nonprofit entity  
30 dedicated to the development of affordable housing for extremely low-  
31 income, very low-income, low-income, or moderate-income households,  
32 consistent with the requirements of this section and RCW 43.63A.510.

33 (2) Whenever the department determines that any real property owned  
34 by the state of Washington and under the jurisdiction of the department  
35 is no longer required for transportation purposes and that it is in the  
36 public interest to do so, the department may sell, lease, or exchange  
37 the property or exchange it in full or part consideration for land or

1 improvements or for construction of improvements (~~at fair market value~~  
2 ~~to~~). Except as authorized in (j) of this subsection, the department  
3 must receive fair market value for any such sale, lease, or exchange.  
4 The department may engage in the sale, lease, or exchange of its  
5 surplus property with any of the following governmental entities or  
6 persons:

7 (a) Any other state agency;

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

9 (c) Any other municipal corporation;

10 (d) Regional transit authorities created under chapter 81.112 RCW;

11 (e) The former owner of the property from whom the state acquired  
12 title;

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

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

23 (h) To any person through the solicitation of written bids through  
24 public advertising in the manner prescribed by RCW 47.28.050;

25 (i) To any other owner of real property required for transportation  
26 purposes;

27 (j) In the case of property suitable for residential use, any  
28 nonprofit organization dedicated to providing affordable housing to  
29 extremely low-income, very low-income, low-income, and moderate-income  
30 households as defined in RCW 43.63A.510 and is eligible to receive  
31 assistance through the Washington housing trust fund created in chapter  
32 43.185 RCW. The department may sell, lease, exchange, or donate the  
33 property for less than fair market value under this subsection (2)(j)  
34 if the affordable housing to be developed on the property is to be  
35 occupied exclusively by extremely low-income, very low-income, or low-  
36 income households as provided in RCW 43.63A.510; 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) Unless otherwise provided, all moneys received pursuant to the  
10 provisions of this section less any real estate broker commissions paid  
11 pursuant to RCW 47.12.320 shall be deposited in the motor vehicle fund.

12 **Sec. 3.** RCW 47.12.064 and 1995 c 399 s 121 are each amended to  
13 read as follows:

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

23 (2) By November 1st of each year, beginning in ~~((1994))~~ 2011, the  
24 department shall purge the inventory of real property of sites that are  
25 no longer available for the development of affordable housing. The  
26 department shall include an updated listing of real property that has  
27 become available since the last update. As used in this section, "real  
28 property" means buildings, land, or buildings and land.

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

31 (1) In accordance with RCW 43.63A.510, the department shall  
32 identify and catalog real property that is no longer required for  
33 department purposes and is suitable for the development of affordable  
34 housing for extremely low-income, very low-income, and moderate-income  
35 households as defined in RCW 43.63A.510. The inventory shall include  
36 the location, approximate size, and current zoning classification of

1 the property. (~~The department shall provide a copy of the inventory~~  
2 ~~to the department of community, trade, and economic development by~~  
3 ~~November 1, 1993, and every November 1 thereafter.~~)

4 (2) By November 1<sup>st</sup> of each year, beginning in ((1994)) 2011, the  
5 department shall purge the inventory of real property of sites that are  
6 no longer available for the development of affordable housing. The  
7 department shall include an updated listing of real property that has  
8 become available since the last update. As used in this section, "real  
9 property" means buildings, land, or buildings and land.

10 (3) In selling, transferring, or otherwise disposing of surplus or  
11 under utilized property, the department shall give priority to selling,  
12 leasing, exchanging, or donating the property to a public or private  
13 entity dedicated to the development of affordable housing for extremely  
14 low-income, very low-income, low-income, or moderate-income households,  
15 consistent with RCW 43.63A.510. The department may sell, lease,  
16 exchange, or donate the property for less than fair market value if the  
17 affordable housing to be developed on the property is to be occupied  
18 exclusively by extremely low-income, very low-income, or low-income  
19 households as provided in RCW 43.63A.510.

20 **Sec. 5.** RCW 72.09.055 and 1995 c 399 s 202 are each amended to  
21 read as follows:

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

31 (2) By November 1<sup>st</sup> of each year, beginning in ((1994)) 2011, the  
32 department shall purge the inventory of real property of sites that are  
33 no longer available for the development of affordable housing. The  
34 department shall include an updated listing of real property that has  
35 become available since the last update. As used in this section, "real  
36 property" means buildings, land, or buildings and land.

1       (3) In selling, transferring, or otherwise disposing of surplus or  
2 under utilized property, the department shall give priority to selling,  
3 leasing, exchanging, or donating the property to a public or private  
4 entity dedicated to the development of affordable housing for very low-  
5 income, low-income, or moderate-income households, consistent with RCW  
6 43.63A.510. The department may sell, lease, exchange, or donate the  
7 property for less than fair market value if the affordable housing to  
8 be developed on the property is to be occupied exclusively by extremely  
9 low-income, very low-income, or low-income households as provided in  
10 RCW 43.63A.510.

11       **Sec. 6.** RCW 43.19.19201 and 1995 c 399 s 64 are each amended to  
12 read as follows:

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

23       (2) By November 1<sup>st</sup> of each year, beginning in ~~((1994))~~ 2011, the  
24 department of general administration shall purge the inventory of real  
25 property of sites that are no longer available for the development of  
26 affordable housing. The department shall include an updated listing of  
27 real property that has become available since the last update. As used  
28 in this section, "real property" means buildings, land, or buildings  
29 and land.

30       (3) In selling, transferring, or otherwise disposing of surplus or  
31 under utilized property, the department shall give priority to selling,  
32 leasing, exchanging, or donating the property to a public or private  
33 entity dedicated to the development of affordable housing for extremely  
34 low-income, very low-income, low-income, or moderate-income households,  
35 consistent with RCW 43.63A.510. The department may sell, lease,  
36 exchange, or donate the property for less than fair market value if the

1 affordable housing to be developed on the property is to be occupied  
2 exclusively by extremely low-income, very low-income, or low-income  
3 households as provided in RCW 43.63A.510.

4 **Sec. 7.** RCW 79A.05.170 and 1991 sp.s. c 13 s 23 are each amended  
5 to read as follows:

6 (1) In selling, transferring, or otherwise disposing of surplus or  
7 underutilized real property, the commission shall give priority to  
8 selling, leasing, exchanging, or donating the property to a public or  
9 private entity dedicated to the development of affordable housing for  
10 extremely low-income, very low-income, low-income, or moderate-income  
11 households, consistent with RCW 43.63A.510. The commission may sell,  
12 lease, exchange, or donate the property for less than fair market value  
13 if the affordable housing to be developed on the property is to be  
14 occupied exclusively by extremely low-income, very low-income, or low-  
15 income households as provided in RCW 43.63A.510.

16 (2) Except for those lands subject to RCW 43.63A.510, any lands  
17 owned by the ~~((state-parks-and-recreation))~~ commission, which are  
18 determined to be surplus to the needs of the state for development for  
19 state park purposes and which the commission proposes to deed to a  
20 local government or other entity, shall be accompanied by a clause  
21 requiring that if the land is not used for outdoor recreation purposes,  
22 ownership of the land shall revert to the ~~((state-parks-and-~~  
23 ~~recreation))~~ commission.

24 ~~((2) The state parks and recreation commission,))~~ (a) In cases  
25 where land subject to such a reversionary clause is proposed for use or  
26 disposal for purposes other than recreation, the commission shall  
27 require that, if the land is surplus to the needs of the commission for  
28 park purposes at the time the commission becomes aware of its proposed  
29 use for nonrecreation purposes, the holder of the land or property  
30 shall reimburse the commission for the release of the reversionary  
31 interest in the land. The reimbursement shall be in the amount of the  
32 fair market value of the reversionary interest as determined by a  
33 qualified appraiser agreeable to the commission. Appraisal costs shall  
34 be borne by the local entity which holds title to the land.

35 ~~((3))~~ (b) Any funds generated under a reimbursement under this  
36 section shall be deposited in the parkland acquisition account which is  
37 hereby created in the state treasury. Moneys in this account are to be



1 used solely for the purchase or acquisition of property for use as  
2 state park property by the commission, as directed by the legislature;  
3 all such funds shall be subject to legislative appropriation.

4 (3) In accordance with RCW 43.63A.510, the commission shall  
5 identify and catalog real property that is no longer required for  
6 commission purposes and is suitable for the development of affordable  
7 housing for extremely low-income, very low-income, low-income, and  
8 moderate-income households as defined in RCW 43.63A.510. The inventory  
9 must include the location, approximate size, and current zoning  
10 classification of the property. By November 1st of each year,  
11 beginning in 2011, the commission shall purge the inventory of real  
12 property of sites that are no longer available for the development of  
13 affordable housing. The commission shall include an updated listing of  
14 real property that has become available since the last update. As used  
15 in this section, "real property" means buildings, land, or buildings  
16 and land.

17 **Sec. 8.** RCW 79A.05.175 and 2007 c 145 s 1 are each amended to read  
18 as follows:

19 Except for those lands subject to RCW 43.63A.510 and 79A.05.170(1),  
20 whenever the commission finds that any land under its control cannot  
21 advantageously be used for park purposes, it is authorized to dispose  
22 of such land by the method provided in this section or by the method  
23 provided in RCW 79A.05.170. If such lands are school or other grant  
24 lands, control thereof shall be relinquished by resolution of the  
25 commission to the proper state officials. If such lands were acquired  
26 under restrictive conveyances by which the state may hold them only so  
27 long as they are used for park purposes, they may be returned to the  
28 donor or grantors by the commission. All other such lands may be  
29 either sold by the commission to the highest bidder or exchanged for  
30 other lands of equal value by the commission, and all conveyance  
31 documents shall be executed by the governor. All such exchanges shall  
32 be accompanied by a transfer fee, to be set by the commission and paid  
33 by the other party to the transfer; such fee shall be paid into the  
34 parkland acquisition account established under RCW 79A.05.170. The  
35 commission may accept sealed bids, electronic bids, or oral bids at  
36 auction. Bids on all sales shall be solicited at least twenty days in  
37 advance of the sale date by an advertisement appearing at least once a

1 week for two consecutive weeks in a newspaper of general circulation in  
2 the county in which the land to be sold is located. If the commission  
3 feels that no bid received adequately reflects the fair value of the  
4 land to be sold, it may reject all bids, and may call for new bids.  
5 All proceeds derived from the sale of such park property shall be paid  
6 into the park land acquisition account. All land considered for  
7 exchange shall be evaluated by the commission to determine its  
8 adaptability to park usage. The equal value of all lands exchanged  
9 shall first be determined by the appraisals to the satisfaction of the  
10 commission. No sale or exchange of state park lands shall be made  
11 without the unanimous consent of the commission.

12 **Sec. 9.** RCW 36.34.137 and 1993 c 461 s 5 are each amended to read  
13 as follows:

14 (1) In selling, transferring, or otherwise disposing of surplus or  
15 underutilized real property, every county shall give priority to  
16 selling, leasing, exchanging, or donating the property to a public or  
17 private entity dedicated to the development of affordable housing for  
18 extremely low-income, very low-income, low-income, or moderate-income  
19 households, consistent with RCW 43.63A.510. A county may sell, lease  
20 exchange, or donate the property for less than fair market value if the  
21 affordable housing to be developed on the property is to be occupied  
22 exclusively by extremely low-income, very low-income, or low-income  
23 households as provided in RCW 43.63A.510.

24 (2) In accordance with RCW 43.63A.510, every county shall identify  
25 and catalog real property owned by the county that is no longer  
26 required for its purposes and is suitable for the development of  
27 affordable housing for extremely low-income, very low-income, low-  
28 income, and moderate-income households as defined in RCW 43.63A.510.  
29 The inventory shall include the location, approximate size, and current  
30 zoning classification of the property. (~~Every county shall provide a~~  
31 copy of the inventory to the department of community development by  
32 November 1, 1993, with inventory revisions each November 1 thereafter.

33 ~~(2))~~ (3) By November 1st of each year, beginning in ((1994)) 2011,  
34 every county shall purge the inventory of real property of sites that  
35 are no longer available for the development of affordable housing. The  
36 inventory revision shall include an updated listing of real property

1 that has become available since the last update. As used in this  
2 section, "real property" means buildings, land, or buildings and land.

3 **Sec. 10.** RCW 35.21.687 and 1995 c 399 s 37 are each amended to  
4 read as follows:

5 (1) In selling, transferring, or otherwise disposing of surplus or  
6 underutilized real property, every city and town, including every code  
7 city operating under Title 35A RCW, shall give priority to selling,  
8 leasing, exchanging, or donating the property to a public or private  
9 entity dedicated to the development of affordable housing for extremely  
10 low-income, very low-income, low-income, or moderate-income households,  
11 consistent with RCW 43.63A.510. A city, town, or code city may sell,  
12 lease, exchange, or donate the property for less than fair market value  
13 if the affordable housing to be developed on the property is to be  
14 occupied exclusively by extremely low-income, very low-income, or low-  
15 income households as provided in RCW 43.63A.510.

16 (2) In accordance with RCW 43.63A.510, every city and town,  
17 including every code city operating under Title 35A RCW, shall identify  
18 and catalog real property owned by the city or town that is no longer  
19 required for its purposes and is suitable for the development of  
20 affordable housing for extremely low-income, very low-income, low-  
21 income, and moderate-income households as defined in RCW 43.63A.510.  
22 The inventory shall include the location, approximate size, and current  
23 zoning classification of the property. (~~Every city and town shall~~  
24 ~~provide a copy of the inventory to the department of community, trade,~~  
25 ~~and economic development by November 1, 1993, with inventory revisions~~  
26 ~~each November 1 thereafter.~~

27 ~~(2))~~ (3) By November 1<sup>st</sup> of each year, beginning in (~~(1994)~~) 2011,  
28 every city and town, including every code city operating under Title  
29 35A RCW, shall purge the inventory of real property of sites that are  
30 no longer available for the development of affordable housing. The  
31 inventory revision shall also contain a list of real property that has  
32 become available since the last update. As used in this section, "real  
33 property" means buildings, land, or buildings and land.

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

36 (1) Subject to RCW 43.63A.510, the department is authorized to sell

1 any real property not designated or acquired as state forest lands, but  
2 acquired by the state, either in the name of the forest board, the  
3 forestry board, or the division of forestry, for administrative sites,  
4 lien foreclosures, or other purposes whenever it shall determine that  
5 the lands are no longer or not necessary for public use.

6 (2) In selling, transferring, or otherwise disposing of surplus or  
7 underutilized real property, the department shall give priority to  
8 selling, leasing, exchanging, or donating the property to a public or  
9 private entity dedicated to the development of affordable housing for  
10 extremely low-income, very low-income, low-income, or moderate-income  
11 households, consistent with RCW 43.63A.510. The department may sell,  
12 lease, exchange, or donate the property for less than fair market value  
13 if the affordable housing to be developed on the property is to be  
14 occupied exclusively by extremely low-income, very low-income, or low-  
15 income households as provided in RCW 43.63A.510.

16 (3) Except as otherwise provided under RCW 43.63A.510, the sale may  
17 be made after public notice to the highest bidder for such a price as  
18 approved by the governor, but not less than the fair market value of  
19 the real property, plus the value of improvements thereon. Any  
20 instruments necessary to convey title must be executed by the governor  
21 in a form approved by the attorney general.

22 ~~((+3))~~ (4) All amounts received from the sale must be credited to  
23 the fund of the department of government that is responsible for the  
24 acquisition and maintenance of the property sold.

25 (5) In accordance with RCW 43.63A.510, the department shall  
26 identify and catalog real property owned by the county that is no  
27 longer required for its purposes and is suitable for the development of  
28 affordable housing for extremely low-income, very low-income, low-  
29 income, and moderate-income households as defined in RCW 43.63A.510.  
30 The inventory must include the location, approximate size, and current  
31 zoning classification of the property.

32 (6) By November 1st of each year, beginning in 2011, the department  
33 shall purge the inventory of real property of sites that are no longer  
34 available for the development of affordable housing. The inventory  
35 revision must include an updated listing of real property that has  
36 become available since the last update. As used in this section, "real  
37 property" means buildings, land, or buildings and land.

1       **Sec. 12.** RCW 79.22.060 and 2009 c 354 s 7 are each amended to read  
2 as follows:

3       (1) With the approval of the board and subject to RCW 43.63A.510,  
4 the department may directly transfer or dispose of state forest lands  
5 without public auction, if the lands:

6       (a) Consist of ten contiguous acres or less;

7       (b) Have a value of twenty-five thousand dollars or less; or

8       (c) Are located in a county with a population of twenty-five  
9 thousand or less and are encumbered with timber harvest deferrals,  
10 associated with wildlife species listed under the federal endangered  
11 species act, greater than thirty years in length.

12       (2) Disposal under this section may only occur in the following  
13 circumstances:

14       (a) Transfers in lieu of condemnation;

15       (b) Transfers to resolve trespass and property ownership disputes;

16 or

17       (c) In counties with a population of twenty-five thousand or less,  
18 transfers to public agencies.

19       (3) Except as otherwise provided under RCW 43.63A.510 and  
20 79.11.005(2), real property to be transferred or disposed of under this  
21 section shall be transferred or disposed of only after appraisal and  
22 for at least fair market value, and only if the transaction is in the  
23 best interest of the state or affected trust. Valuable materials  
24 attached to lands transferred to public agencies under subsection  
25 (2)(c) of this section must be appraised at the fair market value  
26 without consideration of management or regulatory encumbrances  
27 associated with wildlife species listed under the federal endangered  
28 species act.

29       (4) The proceeds from real property transferred or disposed of  
30 under this section shall be deposited into the park land trust  
31 revolving fund and be solely used to buy replacement land within the  
32 same county as the property transferred or disposed. In counties with  
33 a population of twenty-five thousand or less, the portion of the  
34 proceeds associated with valuable materials on the transferred land  
35 must be distributed as provided in RCW 79.64.110.

36       (5) In selling, transferring, or otherwise disposing of surplus or  
37 underutilized property, the department shall give priority to selling,  
38 leasing, exchanging, or donating the property to a public or private

1 entity dedicated to the development of affordable housing for extremely  
2 low-income, very low-income, low-income, or moderate-income households,  
3 consistent with RCW 43.63A.510. The department may sell, lease,  
4 exchange, or donate the property for less than fair market value if the  
5 affordable housing to be developed on the property is to be occupied  
6 exclusively by extremely low-income, very low-income, or low-income  
7 households as provided in RCW 43.63A.510.

8 (6) In accordance with RCW 43.63A.510, the department shall  
9 identify and catalog real property that is no longer required for  
10 department purposes and is suitable for the development of affordable  
11 housing for extremely low-income, very low-income, low-income, and  
12 moderate-income households as defined in RCW 43.63A.510. The inventory  
13 must include the location, approximate size, and current zoning  
14 classification of the property.

15 (7) By November 1st of each year, beginning in 2011, the department  
16 shall purge the inventory of real property of sites that are no longer  
17 available for the development of affordable housing. The department  
18 shall include an updated listing of real property that has become  
19 available since the last update. As used in this section, "real  
20 property" means buildings, land, or buildings and land."

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21 On page 1, line 2 of the title, after "housing;" strike the  
22 remainder of the title and insert "and amending RCW 43.63A.510,  
23 47.12.063, 47.12.064, 43.20A.037, 72.09.055, 43.19.19201, 79A.05.170,  
24 79A.05.175, 36.34.137, 35.21.687, 79.11.005, and 79.22.060."

**EFFECT:** The department of commerce is not required to maintain a listing of under-utilized or surplus properties suitable for the

development of affordable housing of specified governmental entities.  
The requirement that the department of commerce report its list to the  
legislature annually is removed.

--- END ---