

SSB 5820 - S AMD 488

By Senators King, Hobbs

ADOPTED 6/28/2015

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

3 "Sec. 1. RCW 47.12.283 and 2010 c 8 s 10006 are each amended to
4 read as follows:

5 (1) Whenever the department of transportation determines that any
6 real property owned by the state of Washington and under the
7 jurisdiction of the department is no longer required for highway
8 purposes and that it is in the public interest to do so, the
9 department may, in its discretion, sell the property under RCW
10 47.12.063 or under subsections (2) through (6) of this section.

11 (2) Whenever the department determines to sell real property
12 under its jurisdiction at public auction, the department shall first
13 give notice thereof by (~~publication on the same day of the week for~~
14 ~~two consecutive weeks, with the first publication at least two weeks~~
15 ~~prior to the date of the auction, in a legal newspaper of general~~
16 ~~circulation in the area where the property to be sold is located. The~~
17 ~~notice shall be placed in both the legal notices section and the real~~
18 ~~estate classified section of the newspaper)) the most appropriate
19 method as determined by the department. The notice shall contain a
20 description of the property, the time and place of the auction, and
21 the terms of the sale. The sale may be for cash or by real estate
22 contract.~~

23 (3) The department shall sell the property at the public auction,
24 in accordance with the terms set forth in the notice, to the highest
25 and best bidder providing the bid is equal to or higher than the
26 appraised fair market value of the property.

27 (4) If no bids are received at the auction or if all bids are
28 rejected, the department may, in its discretion, enter into
29 negotiations for the sale of the property or may list the property
30 with a licensed real estate broker. No property shall be sold by
31 negotiations or through a broker for less than the property's
32 appraised fair market value. Any offer to purchase real property

1 pursuant to this subsection shall be in writing and may be rejected
2 at any time prior to written acceptance by the department.

3 ~~(5) ((Before the department shall approve any offer for the
4 purchase of real property having an appraised value of more than ten
5 thousand dollars, pursuant to subsection (4) of this section, the
6 department shall first publish a notice of the proposed sale in a
7 local newspaper of general circulation in the area where the property
8 is located. The notice shall include a description of the property,
9 the selling price, the terms of the sale, including the price and
10 interest rate if sold by real estate contract, and the name and
11 address of the department employee or the real estate broker handling
12 the transaction. The notice shall further state that any person may,
13 within ten days after the publication of the notice, deliver to the
14 designated state employee or real estate broker a written offer to
15 purchase the property for not less than ten percent more than the
16 negotiated sale price, subject to the same terms and conditions. A
17 subsequent offer shall not be considered unless it is accompanied by
18 a deposit of twenty percent of the offer in the form of cash, money
19 order, cashiers check, or certified check payable to the Washington
20 state treasurer, to be forfeited to the state (for deposit in the
21 motor vehicle fund) if the offeror fails to complete the sale if the
22 offeror's offer is accepted. If a subsequent offer is received, the
23 first offeror shall be informed by registered or certified mail sent
24 to the address stated in his or her offer. The first offeror shall
25 then have ten days, from the date of mailing the notice of the
26 increased offer, in which to file with the designated state employee
27 or real estate broker a higher offer than that of the subsequent
28 offeror. After the expiration of the ten-day period, the department
29 shall approve in writing the highest and best offer which the
30 department then has on file.~~

31 ~~(6))~~ All moneys received pursuant to this section, less any real
32 estate broker's commissions paid pursuant to RCW 47.12.320, shall be
33 deposited in the motor vehicle fund.

34 **Sec. 2.** RCW 47.12.063 and 2011 c 376 s 2 are each amended to
35 read as follows:

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

1 (2) Whenever the department determines that any real property
2 owned by the state of Washington and under the jurisdiction of the
3 department is no longer required for transportation purposes and that
4 it is in the public interest to do so, the department may sell the
5 property or exchange it in full or part consideration for land or
6 building improvements or for construction of highway improvements at
7 fair market value to any person through the solicitation of written
8 bids through public advertising in the manner prescribed under RCW
9 47.28.050 or in the manner prescribed under RCW 47.12.283.

10 (3) The department may forego the processes prescribed by RCW
11 47.28.050 and 47.12.283 and sell the real property to any of the
12 following entities or persons at fair market value:

13 (a) Any other state agency;

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

15 (c) Any other municipal corporation;

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

18 (e) The former owner of the property from whom the state acquired
19 title;

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

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

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

32 (i) 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
35 defined in RCW 43.63A.510 and is eligible to receive assistance
36 through the Washington housing trust fund created in chapter 43.185
37 RCW; or

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

1 (4) When selling real property pursuant to RCW 47.12.283, the
2 department may withhold or withdraw the property from an auction when
3 requested by one of the entities or persons listed in subsection (3)
4 of this section and only after the receipt of a nonrefundable deposit
5 equal to ten percent of the fair market value of the real property or
6 five thousand dollars, whichever is less. This subsection does not
7 prohibit the department from exercising its discretion to withhold or
8 withdraw the real property from an auction if the department
9 determines that the property is no longer surplus or chooses to sell
10 the property through one of the other means listed in subsection (2)
11 of this section. If a transaction under this subsection is not
12 completed within sixty days, the real property must be put back up
13 for sale.

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

19 (6) Conveyances made pursuant to this section shall be by deed
20 executed by the secretary of transportation and shall be duly
21 acknowledged.

22 (7) Unless otherwise provided, all moneys received pursuant to
23 the provisions of this section less any real estate broker
24 commissions paid pursuant to RCW 47.12.320 shall be deposited in the
25 motor vehicle fund.

26 (8) The department may not enter into equal value exchanges or
27 property acquisitions for building improvements without first
28 consulting with the office of financial management and the joint
29 transportation committee.

30 NEW SECTION. Sec. 3. This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of
32 the state government and its existing public institutions, and takes
33 effect immediately."

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1 On page 1, after line 1 of the title, strike the remainder of the
2 title and insert "amending RCW 47.12.283 and 47.12.063; and declaring
3 an emergency."

EFFECT: Reinstates the underlying statutory requirement to provide a sixty-day written notice of proposed disposition of state-owned land to counties, cities, and towns in which the land is located. Removes the provision prohibiting the Washington State Department of Transportation (WSDOT) from entering into equal value land exchange transactions. Modifies the equal value land exchange authority such that it may be exchanged for land, for building improvements, or for the construction of highway improvements. Limits the authority of the WSDOT to enter into land exchanges such that, when entering into equal value exchanges or property acquisitions for buildings, the department must first consult with the Office of Financial Management and the Joint Transportation Committee. Adds an emergency clause for the bill to take effect immediately.

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