
Transportation Committee

HB 2716

Brief Description: Providing a right of first repurchase for surplus transportation property.

Sponsors: Representatives Shea, Condotta, Orcutt, Klippert, Johnson, McCune, Angel, Rodne, Kristiansen, Roach, Schmick, Fagan, Hasegawa, Pearson, Campbell and Warnick.

Brief Summary of Bill

- Provides a right of repurchase, subject to certain restrictions, to property owners whose properties were originally acquired through condemnation or the threat of condemnation by the Washington State Department of Transportation and are later declared surplus properties.

Hearing Date: 1/26/10

Staff: David Munnecke (786-7315).

Background:

The Washington State Department of Transportation (WSDOT) often acquires land in anticipation of constructing highway or transportation projects. When these properties owned by the state are no longer needed for future transportation projects, state law specifies a process for the WSDOT to dispose of this surplus property.

If the WSDOT determines that any real property is no longer needed for transportation purposes, the WSDOT can sell the property or exchange it for other land at fair market value to the following entities or persons: (1) any other state agency; (2) the city or county where the property is situated; (3) any other municipal corporation; (4) regional transit authorities under chapter 81.112 RCW; (5) the former owner of the property from whom the state acquired title; (6) if the property is used as a residence, to the tenant of the property, so long as the tenant has lived there at least six months and paid rent on time; (7) any abutting property owner, unless there is more than one interested abutting property owner, in which case an auction procedure applies; (8) any other person, through written solicitation of bids; (9) any other owner of real

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property, where that property is required for transportation purposes; (10) if it is residential property, any non-profit organization dedicated to affordable housing, as further specified in state law; or (11) a federally recognized Indian tribe within whose reservation boundaries the property is located.

State law does not specify which of these entities or persons has priority to acquire the WSDOT's surplus property, and also grants the WSDOT the authority to sell real property through an auction so long as it provides two weeks public notice. The proceeds from the sale of surplus properties under either procedure must be deposited into the Motor Vehicle Fund.

Summary of Bill:

A former property owner whose property or interest in a property was originally acquired through condemnation or the threat of condemnation by the WSDOT has a right of repurchase for that property if the WSDOT determines that the property is no longer necessary for a transportation purpose and should be sold as a surplus property. A former property owner is defined as the person or entity from whom the WSDOT acquired title and that person or entity's successors or assigns.

The WSDOT is required to mail notice at least 90 days prior to the planned sale of a surplus property to the former owner's last known address. If the former owner notifies the WSDOT within 30 days of the date of the notice of the former owner's intent to repurchase the property, the WSDOT shall sell the property to the former owner at fair market value without listing the property for sale to other owners. If the former owner does not provide timely notice of intent to repurchase, or if the sale to the former owner is not completed within one year of the notice from the former owner, the right of repurchase is extinguished.

Appropriation: None.

Fiscal Note: Requested on January 21, 2010.

Effective Date: The bill takes effect on July 1, 2010.