3

6

7

8

9

11

12

13 14

15 16

17

18

19

HOUSE BILL 1205

State of Washington 65th Legislature 2017 Regular Session

By Representatives Young, Shea, Taylor, McCaslin, and Santos

Read first time 01/13/17. Referred to Committee on Transportation.

1 AN ACT Relating to providing a right of first repurchase for 2 surplus transportation property; and amending RCW 47.12.063.

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

- 4 **Sec. 1.** RCW 47.12.063 and 2015 3rd sp.s. c 13 s 2 are each 5 amended to read as follows:
 - (1) It is the intent of the legislature to continue the department's policy giving priority consideration to abutting property owners in agricultural areas when disposing of property through its surplus property program under this section, unless the property is eligible to be sold under subsection (4) of this section.
 - (2) Whenever the department determines that any real property owned by the state of Washington and under the jurisdiction of the department is no longer required for transportation purposes and that it is in the public interest to do so, the department may sell the property or exchange it in full or part consideration for land or building improvements or for construction of highway improvements at fair market value to any person through the solicitation of written bids through public advertising in the manner prescribed under RCW 47.28.050 or in the manner prescribed under RCW 47.12.283.
- 20 (3) The department may forego the processes prescribed by RCW 21 47.28.050 and 47.12.283 and sell the real property to any of the

p. 1 HB 1205

following entities or persons at fair market value, unless the property is eligible to be sold under subsection (4) of this section:

(a) Any other state agency;

- (b) The city or county in which the property is situated;
 - (c) Any other municipal corporation;
- 6 (d) Regional transit authorities created under chapter 81.112 7 RCW;
- 8 (e) The former owner of the property from whom the state acquired 9 title;
 - (f) In the case of residentially improved property, a tenant of the department who has resided thereon for not less than six months and who is not delinquent in paying rent to the state;
 - (g) Any abutting private owner but only after each other abutting private owner (if any), as shown in the records of the county assessor, is notified in writing of the proposed sale. If more than one abutting private owner requests in writing the right to purchase the property within fifteen days after receiving notice of the proposed sale, the property shall be sold at public auction in the manner provided in RCW 47.12.283;
- 20 (h) To any other owner of real property required for 21 transportation purposes;
 - (i) In the case of property suitable for residential use, any nonprofit organization dedicated to providing affordable housing to very low-income, low-income, and moderate-income households as defined in RCW 43.63A.510 and is eligible to receive assistance through the Washington housing trust fund created in chapter 43.185 RCW; or
- 28 (j) A federally recognized Indian tribe within whose reservation 29 boundary the property is located.
 - property or an interest in real property that was acquired through condemnation within the previous ten years is no longer necessary for a transportation purpose, the former owner has a right of repurchase as described in this subsection. For the purposes of this subsection, "former owner" means the person or entity from whom the department acquired title. At least ninety days prior to the date on which the property is intended to be sold by the department, the department must mail notice of the planned sale 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 department with a forwarding

p. 2 HB 1205

address. If the former owner of the property's last known address, or forwarding address if a forwarding address has been provided, is no longer the former owner of the property's address, the right of repurchase is extinguished. If the former owner notifies the department within thirty days of the date of the notice that the former owner intends to repurchase the property, the department shall proceed with the sale of the property to the former owner for fair market value and shall not list the property for sale to other owners. If the former owner does not provide timely written notice to the department of the intent to exercise a repurchase right, or if the sale to the former owner is not completed within six months of the date of notice that the former owner intends to repurchase the property, the right of repurchase is extinguished.

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

((+5))) (6) Sales to purchasers may, at the department's option, be for cash, by real estate contract, or exchange of land or highway improvements. Transactions involving the construction of improvements must be conducted pursuant to chapter 47.28 RCW and Title 39 RCW, as applicable, and must comply with all other applicable laws and rules.

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

 $((\frac{(7)}{)})$ (8) Unless otherwise provided, all moneys received pursuant to the provisions of this section less any real estate broker commissions paid pursuant to RCW 47.12.320 shall be deposited in the motor vehicle fund.

((+8))) (9) The department may not enter into equal value exchanges or property acquisitions for building improvements without

p. 3 HB 1205

- 1 first consulting with the office of financial management and the
- 2 joint transportation committee.

--- END ---

p. 4 HB 1205