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HOUSE BILL 2402

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State of Washington                      58th Legislature                      2004 Regular Session

By Representatives McMahan, Mielke, Talcott, Crouse, Bush, Newhouse and Lantz

Read first time 01/13/2004. Referred to Committee on Transportation.

1            AN ACT Relating to proceeds from the sale of unneeded real property  
2 related to the construction of toll facilities; amending RCW 47.12.063  
3 and 47.12.283; and adding a new section to chapter 47.46 RCW.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 47.46 RCW  
6 to read as follows:

7            Any money received from the sale of real property originally  
8 acquired for toll facility purposes shall be deposited into the  
9 separate and proper trust fund with the state treasurer established for  
10 the toll facility. For the purposes of this section, the term "real  
11 property" includes any improvements to the land.

12            **Sec. 2.** RCW 47.12.063 and 2002 c 255 s 1 are each amended to read  
13 as follows:

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

1 (2) Whenever the department determines that any real property owned  
2 by the state of Washington and under the jurisdiction of the department  
3 is no longer required for transportation purposes and that it is in the  
4 public interest to do so, the department may sell the property or  
5 exchange it in full or part consideration for land or improvements or  
6 for construction of improvements at fair market value to any of the  
7 following governmental entities or persons:

8 (a) Any other state agency;

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

10 (c) Any other municipal corporation;

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

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

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

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

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

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

28 (j) In the case of property suitable for residential use, any  
29 nonprofit organization dedicated to providing affordable housing to  
30 very low-income, low-income, and moderate-income households as defined  
31 in RCW 43.63A.510 and is eligible to receive assistance through the  
32 Washington housing trust fund created in chapter 43.185 RCW; or

33 (k) A federally recognized Indian tribe within whose reservation  
34 boundary the property is located.

35 (3) Sales to purchasers may at the department's option be for cash,  
36 by real estate contract, or exchange of land or improvements.  
37 Transactions involving the construction of improvements must be

1 conducted pursuant to chapter 47.28 RCW or Title 39 RCW, as applicable,  
2 and must comply with all other applicable laws and rules.

3 (4) Conveyances made pursuant to this section shall be by deed  
4 executed by the secretary of transportation and shall be duly  
5 acknowledged.

6 (5) Except as provided in section 1 of this act, all moneys  
7 received pursuant to the provisions of this section less any real  
8 estate broker commissions paid pursuant to RCW 47.12.320 shall be  
9 deposited in the motor vehicle fund.

10 **Sec. 3.** RCW 47.12.283 and 1979 ex.s. c 189 s 1 are each amended to  
11 read as follows:

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

18 (2) Whenever the department determines to sell real property under  
19 its jurisdiction at public auction, the department shall first give  
20 notice thereof by publication on the same day of the week for two  
21 consecutive weeks, with the first publication at least two weeks prior  
22 to the date of the auction, in a legal newspaper of general circulation  
23 in the area where the property to be sold is located. The notice shall  
24 be placed in both the legal notices section and the real estate  
25 classified section of the newspaper. The notice shall contain a  
26 description of the property, the time and place of the auction, and the  
27 terms of the sale. The sale may be for cash or by real estate  
28 contract.

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

33 (4) If no bids are received at the auction or if all bids are  
34 rejected, the department may, in its discretion, enter into  
35 negotiations for the sale of the property or may list the property with  
36 a licensed real estate broker. No property shall be sold by  
37 negotiations or through a broker for less than the property's appraised

1 fair market value. Any offer to purchase real property pursuant to  
2 this subsection shall be in writing and may be rejected at any time  
3 prior to written acceptance by the department.

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

31 (6) Except as provided in section 1 of this act, all moneys  
32 received pursuant to this section, less any real estate broker's  
33 commissions paid pursuant to RCW 47.12.320, shall be deposited in the  
34 motor vehicle fund.

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