

OKANOGAN COUNTY
ORDINANCE NO. 2021 - 7

An Ordinance adopting a new chapter 2.06 of the Okanogan County Code establishing a comprehensive property management program under the authority of RCW 36.34.005.

WHEREAS, RCW 36.34 establishes procedures for transfer of county properties for sale or lease; and

WHEREAS, RCW 36.34.005 provides that a county may establish comprehensive procedures for the management of county property consistent with the public interest of the County; and

WHEREAS, the Board of County Commissioners feel that it is in the public interest for real property owned by the county to be returned to the tax rolls if it is not needed for some present or future government use and if it can be sold for a reasonable return; and

WHEREAS, the Board of County Commissioners also declares that it is in the public interest to transfer and/or lease county property for a public benefit purpose consistent with the requirements of this chapter and state law.

WHEREAS, the Board of County Commissioners, after publication of the public hearing notice in the newspaper of record, held a public hearing on August 9, 2021 to consider the adoption of comprehensive procedures for the management of county property.

NOW, THEREFORE, BY THE OKANOGAN COUNTY BOARD OF COUNTY COMMISSIONERS HEREBY ORDAINS AS FOLLOWS:

1. Chapter 2.06 attached hereto as Exhibit "A" is hereby adopted as a provision of the Okanogan County Code.
2. Effective date. This ordinance shall take effect immediately upon its adoption by the Board of County Commissioners.
3. That Okanogan County shall retain all powers now or hereafter granted by chapter 36.34 RCW.

DATED at Okanogan, Washington this 9th day of August, 2021.

ATTEST:




Laleña Johns, Clerk of the Board


APPROVED AS TO FORM:

David Gecas, Civil Deputy PA

**BOARD OF COUNTY COMMISSIONERS
OKANOGAN, WASHINGTON**


Chris Branch, Chairman


Andy Hover, Vice Chair


Jim DeTro, Member

Chapter 2.06

RULES FOR SALE, DISPOSITION OR LEASE OF COUNTY SURPLUS REAL PROPERTY

Sections:

- [2.06.005 Establishment of comprehensive procedures for management of county property.](#)
- [2.06.010 Policy.](#)
- [2.06.020 Definitions.](#)
- [2.06.030 Authorized transfers.](#)
- [2.06.040 Special disposition.](#)
- [2.06.050 Surplus property resolution.](#)
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2.06.005 Establishment of comprehensive procedures for management of county property authorized.

Pursuant to public notice and hearing, any county may establish comprehensive procedures for the management of county property consistent with the public interest and counties establishing such procedures shall be exempt from the provisions of Chapter [36.34](#) RCW; provided, that all counties shall retain all powers now or hereafter granted by Chapter [36.34](#) RCW.

2.06.010 Policy.

The board of county commissioners declares that it is in the public interest for real property owned by the county to be returned to the tax rolls if it is not needed for some present or future government use and if it can be sold for a reasonable return. The board of county commissioners also declares that it is in the public interest to transfer county property for a public benefit purpose consistent with the requirements of this chapter and state law. It is therefore the policy of the county to transfer parcels of property owned by the county which are determined to be surplus property pursuant to this chapter, where disposal of a subject parcel: (1) would afford the county a reasonable return from the transaction; or (2) is determined by the board of county commissioners to be in the public interest for a public benefit purpose; and (3) the disposal is conducted consistent with the requirements of this chapter and state law.

2.06.020 Definitions.

- A. "Abutter" means the owner of a parcel adjacent to a parcel being considered for transfer under this chapter.
- B. "Fair market value" means the amount in cash that a well-informed buyer, willing but not obligated to buy the property, would pay, and that a well-informed seller, willing but not obligated to sell it, would accept, taking into consideration all uses to which the property is adapted or may be reasonably adaptable.
- C. "OCC" means the Okanogan County Code, as now existing or hereafter amended.

- D. "Certified appraiser" means an appraiser who has obtained the Member, Appraisal Institute, "MAI" designation awarded by the Appraisal Institute.
- E. "Or" means or and includes and/or.
- F. "Parcel" means a parcel of real property or any portion or part of a parcel of real property.
- G. "Public benefit" has the same meaning as in RCW [39.33.015](#)(8)(a).
- H. "Public agency" means the state or any municipality or subdivision thereof, the federal government or a federally recognized Indian tribe. For the avoidance of doubt, "public agency" includes a "governmental agency" as that term is used in RCW [36.34.130](#).
- I. "RCW" means the Revised Code of Washington, as now existing or hereafter amended.
- J. "Real property" has the same meaning as in RCW [84.04.090](#). For the avoidance of doubt, "real property" includes any parcel, including real property, personal property, or mixed property located on the parcel.
- K. "Reasonable return" means sale for tangible and intangible consideration equal to, or greater than, the appraised fair market value.
- L. "Surplus property" has the same meaning as in RCW [39.33.015](#)(8)(b). For the avoidance of doubt, "surplus property" as used in this chapter applies only to real property.
- M. "Transfer" means either a sale or a lease of surplus property.

2.06.030 Authorized transfers.

Real property declared surplus by the board of county commissioners may be transferred for:

- A. A reasonable return or for public benefit by sealed bid, auction, negotiated sale;
- B. An exchange for real property of equal value pursuant to RCW [36.34.330](#);
- C. A transfer to a public agency pursuant to RCW [39.33.010](#);
- D. A transfer for affordable housing pursuant to RCW [39.33.015](#);
- E. A transfer to a public agency pursuant to RCW [36.34.130](#); or
- F. Pursuant to a special disposition process under this chapter.

2.06.040 Special disposition.

- A. If the public interest in a reasonable return is outweighed by the public benefit, due to factors such as (by way of illustration and not limitation) the unique character of site or development potential of a given parcel or use for a public benefit purpose as affordable housing, the ~~county administrator~~ may

~~recommend~~ the board of county commissioners **may** approve the disposal of a parcel by a special disposition process, which may include disposal for less than the appraised fair market value or for other forms of consideration in addition to or in lieu of monetary payment to the county.

B. The special disposition process may include sale or transfer by any of the methods set forth in this section, including, but not limited to, leases, options to purchase, lease-purchase transactions, or other commonly used, commercially reasonable means of disposal.

C. Approval for special disposition of a parcel under this section shall include written findings of the board of county commissioners setting out and supporting the basis for the decision to use the special disposition process, and in the case of a public benefit purpose, that the public benefit of disposal pursuant to this section outweighs the public interest in a reasonable return.

2.06.050 Surplus property resolution.

A. A parcel owned by the county may be declared surplus by the board of county commissioners after the following procedures have been completed:

1. The ~~county administrator~~ **board of county commissioners** shall ~~include~~ **consider** the following information, if known, ~~in the staff report to the board~~ for each parcel under consideration:

- a. Description of the subject parcel's size, general location, and legal description;
- b. Description of the circumstances under which the subject parcel was obtained;
- c. Description of what funds were used to initially acquire the subject parcel;
- d. Recommendation as to which fund the proceeds from its sale, if any, should be credited;
- e. Value of the subject parcel and whether further appraisal before sale is recommended and the type of appraisal required;
- f. Whether the subject parcel only is usable by abutting owners or has the highest return if conveyed to abutting owners;
- g. Whether some other public agency has a use for the subject parcel;
- h. Whether the subject parcel should be leased, sold at auction, by sealed bid, or by negotiation;
- i. ~~Recommendation~~ **determination** as to whether any special covenants or restrictions should be imposed in conjunction with sale of the subject parcel; and
- j. When ~~recommending~~ **considering the** use of the special disposition process, provide the rationale supporting the basis for ~~the recommendation~~ **use of the process**, and in the case of a public benefit purpose as provided in RCW [39.33.015](#), the rationale for how the public benefit outweighs the public interest in a reasonable return.

2. A public hearing shall be held to consider the surplus declaration for the subject parcel. Notice of hearing on the proposal to dispose of any county property must particularly describe the property or portion thereof proposed to be sold and designate the place where and the day and hour when a hearing will be held thereon, which notice shall be published in the official newspaper of record for Okanogan County. Said posting and the date of publication must be at least ten days before the day set for the hearing.

B. Following the public hearing, the board shall determine whether the subject parcel shall be declared surplus.

C. Any declaration of surplus property shall be made by resolution. The resolution shall also make the following determinations:

1. How the subject parcel should be transferred including but not limited to by sealed bid, at auction, through a negotiated sale, or through special disposition process, which may include a transfer for a public benefit purpose as provided in RCW [39.33.015](#);

2. Whether special covenants or restrictions should be imposed as a condition of the transfer.

D. Determination of Value/Minimum Consideration Acceptable.

1. If the county has a sufficient and acceptable appraisal of the subject parcel, no additional appraisal shall be required.

2. If an acceptable appraisal is not available, the ~~county administrator~~ **board of county commissioners** shall obtain a:

a. Limited opinion of value for parcels under twenty-five thousand dollars;

b. Short form appraisal report for parcels under fifty thousand dollars; or

c. Full narrative appraisal report by an MAI-certified appraiser.

2.06.060 Sale procedure.

The following procedures and requirements shall apply to the sale of surplus property:

A. County Treasurer or Designee Conducts All Sales at Public Auction. The county treasurer or designee shall supervise all sales of surplus property at auctions pursuant to the requirements of state law and this chapter. The treasurer may sell by means permitted per RCW [36.34.080](#).

B. Notice and Hearing Requirements. If a subject parcel is to be sold, the notice and hearing requirements applicable to sales of county property in Chapter [36.34](#) RCW shall be followed.

C. Negotiated Sale to Owner of an Abutting Property. If the subject parcel can only be put to its highest and best use when aggregated with an abutter's parcel because of its size, shape, topography, or other restriction, the subject parcel may be negotiated for sale to the abutter; provided:

1. The abutter is willing to purchase for the fair market value of the subject parcel as determined under OCC Section [2.06.050](#)(D); and

2. If more than one qualifying abutter expresses interest in purchasing the subject parcel, the board may solicit sealed bids from all qualifying abutters.

D. The complete terms of sale shall be detailed and available for viewing at time of legal publication of notice of sale.

E. Closing Costs. All closing costs, exclusive of deed preparation, shall be borne by the purchaser including, but not limited to, survey work, title insurance, recording costs, and escrow fees if applicable.

F. Form of Conveyance. All conveyances shall be made by quitclaim deed or such other form of conveyance and on such terms as determined by the county prosecuting attorney.

2.06.070 Transfer of surplus property for consideration other than cash.

Surplus property may be transferred for consideration other than cash under the following conditions:

A. If the board of county commissioners determines that the transfer of a parcel declared surplus under this chapter could realize greater benefit to the county through consideration other than cash, the board of county commissioners may invite prospective purchasers to tender consideration other than cash. Upon receipt of a bid or offer tendering consideration other than cash, and prior to accepting such bid or offer for consideration other than cash, the ~~county administrator shall make a report to the~~ board of county commissioners during an open public meeting setting **shall set** forth the benefits of such a transaction for consideration other than cash.

B. Before accepting any bid or offer for consideration other than cash, an adequate appraisal shall have been made by a qualified independent MAI-certified appraiser.

C. If the board of county commissioners finds that the bid or offer for consideration other than cash has more value or benefit to the county than any other bid or offer submitted, the board of county commissioners may authorize the ~~county administrator to acceptance of~~ the bid or offer for consideration other than cash.

2.06.075 Lease of surplus public property.

A. The board of county commissioners may authorize the lease or sublease of any parcel, under such terms and conditions as it may deem desirable, fair and appropriate, either by use of negotiations or bidding in the best interests of the county, or a transfer for a public benefit purpose as provided in RCW 39.33.

B. Notice and Hearing Requirements. If a subject parcel is to be leased through a bid process, the notice and hearing requirements applicable to leases of county property in Chapter [36.34](#) RCW shall be followed. **If the lease is pursuant to a public benefit purpose the County and the negotiation process is used, one notice shall be published in the newspaper of record 10 days in advance of such a hearing.**