

Surplus Property Plan

Paula J. Hammond, P.E.
Secretary of Transportation

David L. Dye, P.E.
Deputy Secretary

Steve Reinmuth
Chief of Staff

Pasco Bakotich III
State Design Engineer

Mike Palazzo
Real Estate Services Manager

Joint Transportation Committee
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Washington State
Department of Transportation

2007-09 Budget Bill Proviso

This proviso required a statewide inventory of all department-owned surplus property that is:

- 1) Suitable for development of transportation facilities, or;
- 2) Should be sold.

As of April 2008, WSDOT's property inventory listed 5,602 parcels (25,632 acres).

From report presented December 2008

What Were the Findings of the Report?

The report identified:

- **643** parcels suitable for development of transportation facilities
- **266** parcels that should be sold

The Top 20

SHOULD BE SOLD: FIRST SURPLUS EFFORT					
REPORT SUMMARY BY COUNTY					
Surplus Cost: Includes appraisal, professional land surveys, title fees, auction costs, deeds and easement documents.					
Assessed Value: Does not guarantee current market value, which may be higher or lower depending on market conditions and individual parcel attributes, and is used as a reference of parcel value for taxation and assessment.					
Inventory Control Number (I. C. No.): Parcel specific reference used in the Real Estate Inventory System (REIS).					
County	I. C. No.	Acreage	Surplus Cost	Assessed Value	Net Value
King	1-17-02867	55.5	*	\$17,498,400	\$17,450,150
Pierce	3-27-04874	12.7	*	\$2,068,855	\$2,020,605
Spokane	6-32-00322	44.8	*	\$1,463,000	\$1,414,750
Spokane	6-32-00088	18.0	*	\$1,380,000	\$1,331,750
King	7-17-00928	0.6	*	\$1,076,625	\$1,028,375
King	7-17-00063	5.0	*	\$907,500	\$859,250
King	1-17-02509	9.7	*	\$804,000	\$755,750
Chelan	2-04-00005	5.3	*	\$692,000	\$643,750
Island	1-15-06602	1.2	*	\$559,030	\$510,780
Snohomish	1-31-06013	0.6	*	\$558,800	\$510,550
Spokane	6-32-04363	0.3	*	\$529,880	\$481,630
Skagit	1-29-00153	3.3	*	\$504,800	\$456,550
King	1-17-05531	10.0	*	\$422,500	\$374,250
King	1-17-05449	0.4	*	\$361,100	\$312,850
King	1-17-08162	1.6	*	\$350,000	\$301,750
Whatcom	1-37-06932	1.5	*	\$345,210	\$296,960
Chelan	2-04-00103	24.3	*	\$339,475	\$291,225
King	1-17-05916	6.1	*	\$321,000	\$272,750
Kittitas	5-19-00028	24.6	*	\$276,000	\$227,750
Clark	4-06-04550	16.0	*	\$275,200	\$226,950
Grand Totals	20	242	\$965,000	\$30,733,375	\$29,768,375

From report presented December 2008

2009 Milestones

- **February 2009 JTC Sub-Committee Recommendations**
- **09-11 Funding and Appropriations Bill**
- **October 2009 Auction**

09-11 Funding and Appropriations Bill Required a Plan

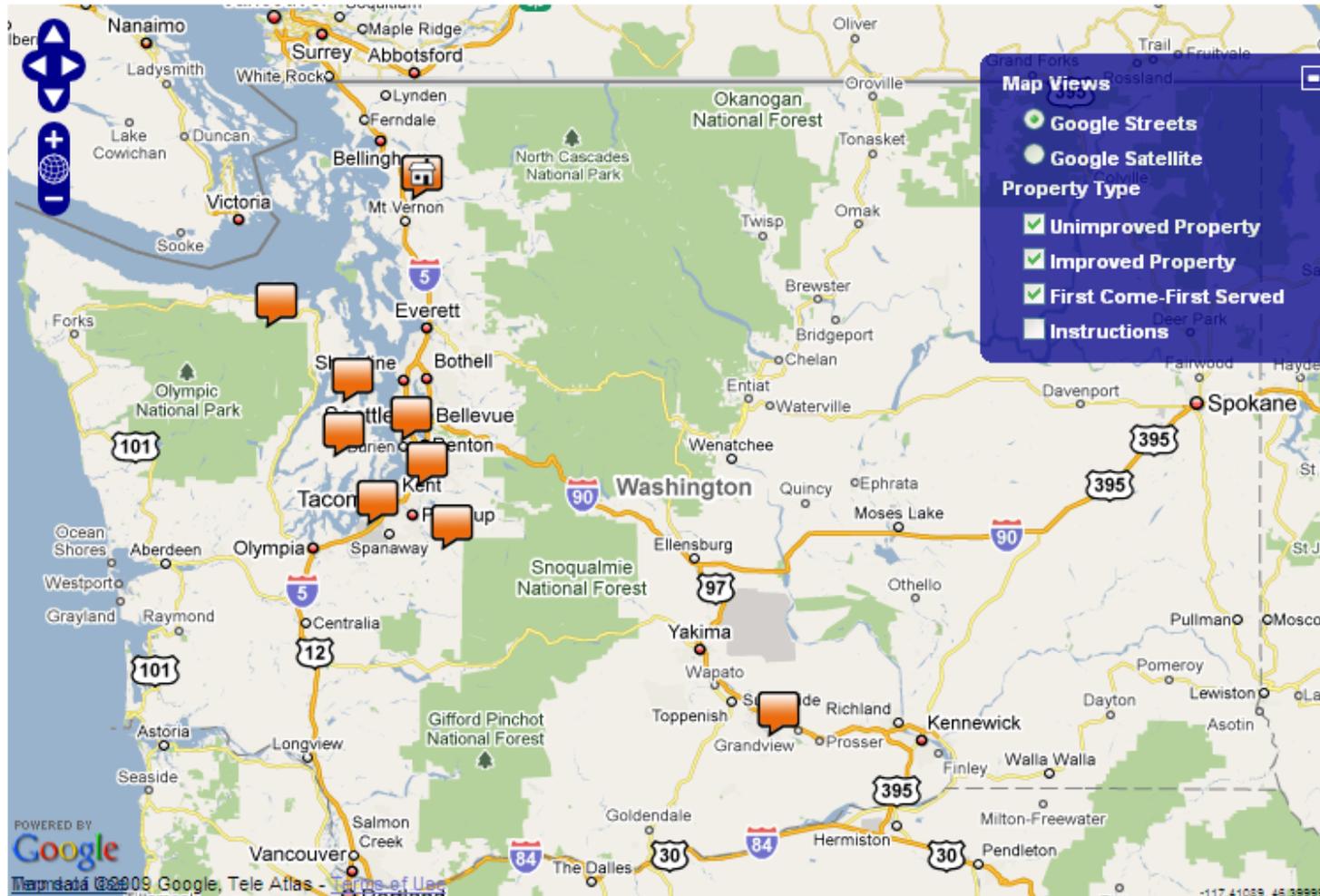
1. Strategies for maximizing the number of parcels sold.
2. Schedule that optimizes proceeds.
3. Recommended cash discount.
4. Plan to report to the joint transportation committee.
5. Recommendation for regional incentives.
6. Recommendation for Equivalent value exchanges.

1. Strategies For Maximizing the Number of Parcels Sold

- Update the Real Estate Services Auction Website
- Review the auction website activity logs (hits)
- Advertise that WSDOT has property for sale
- Select properties to suit the current local markets
- Notify property owners that parcels abutting their property are available
- Coordinate local marketing efforts with local real estate professionals
- Work with WSDOT's IT & Communications Offices for marketing opportunities
- Consider bundling strategy as market improves

Interactive Auction Webpage

Real Estate Services Auction Map



Unimproved Properties



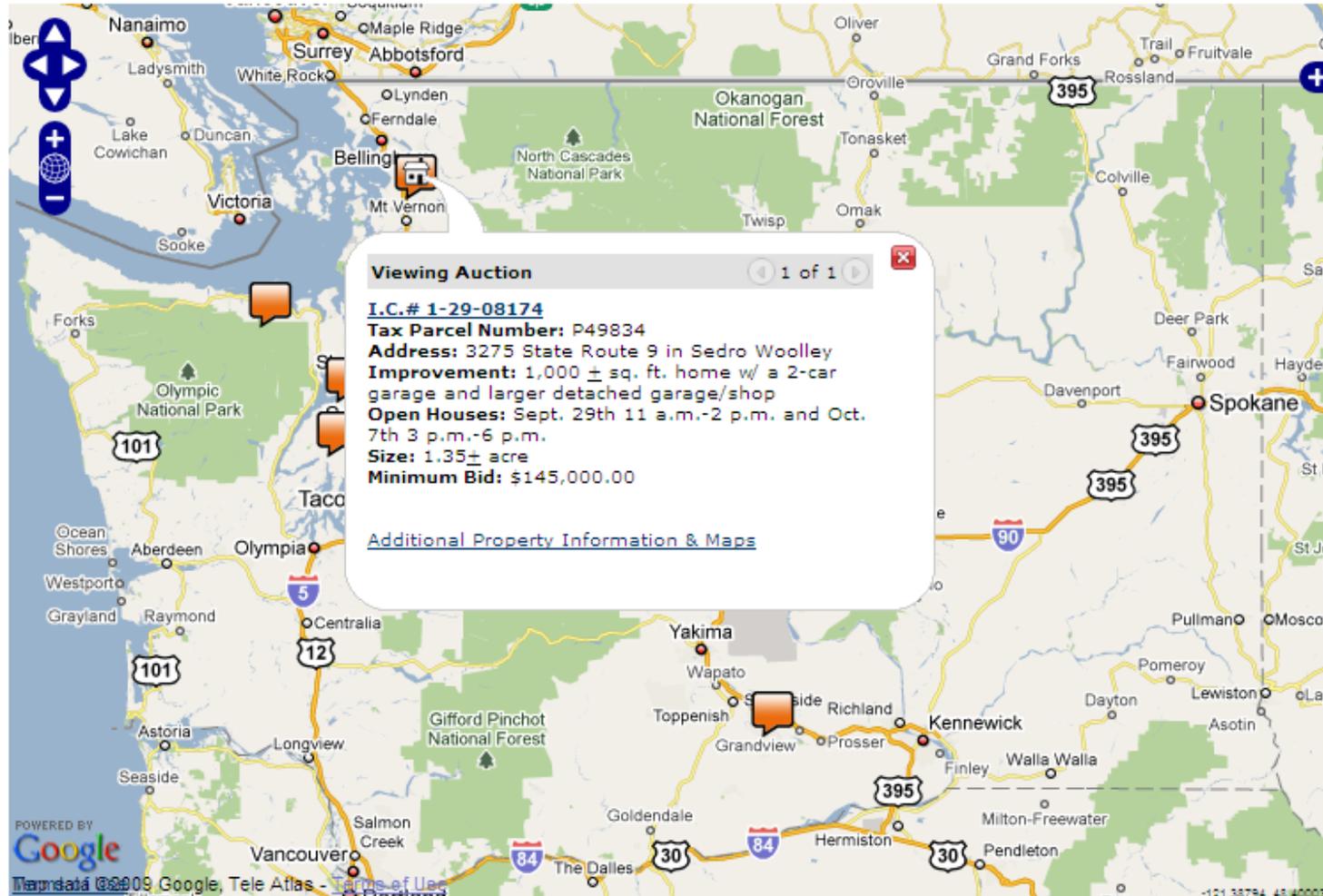
Improved Properties



Available on a First Come-First Served Basis

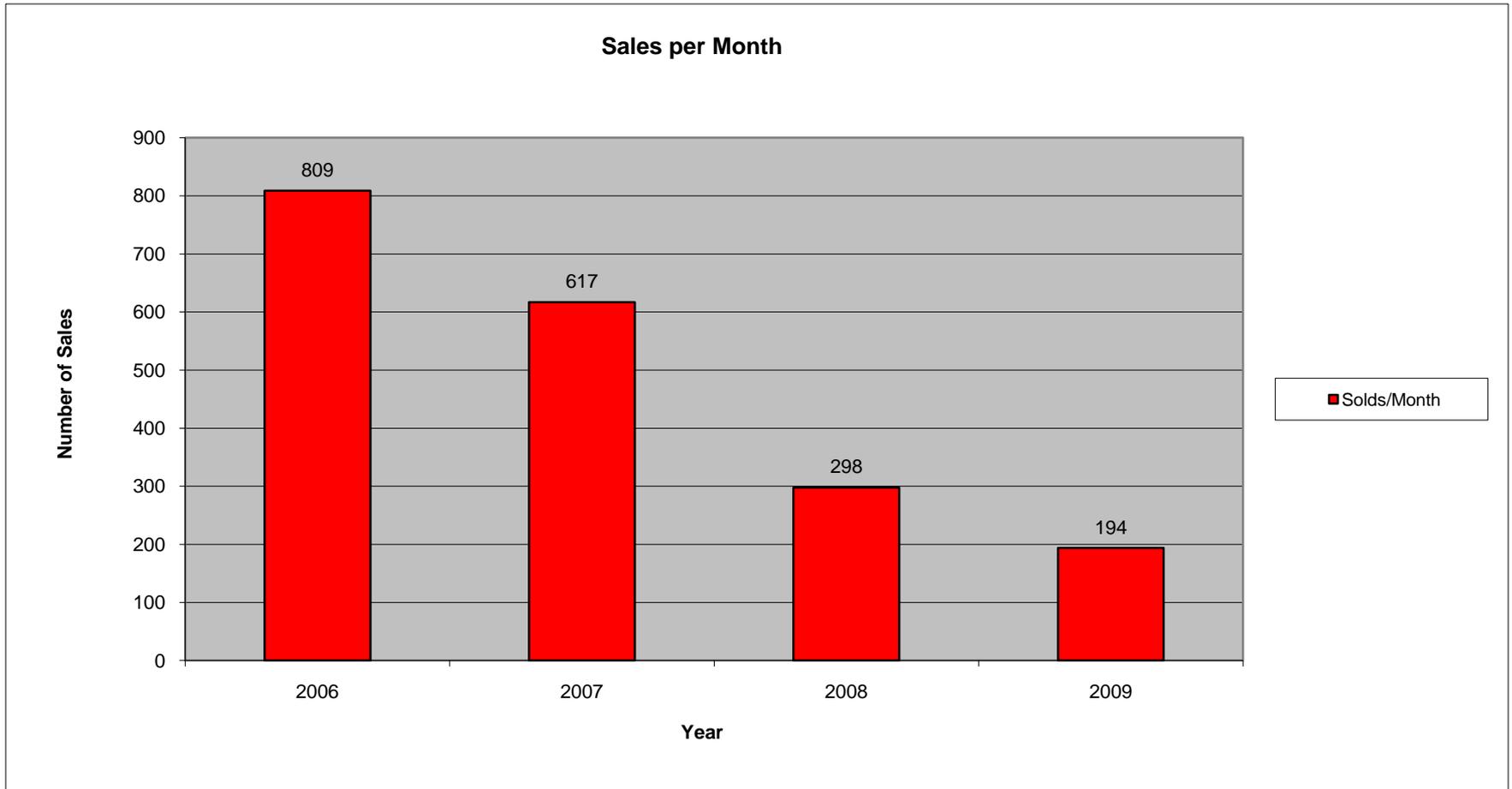
Interactive Auction Webpage

Real Estate Services Auction Map



Market Conditions Data

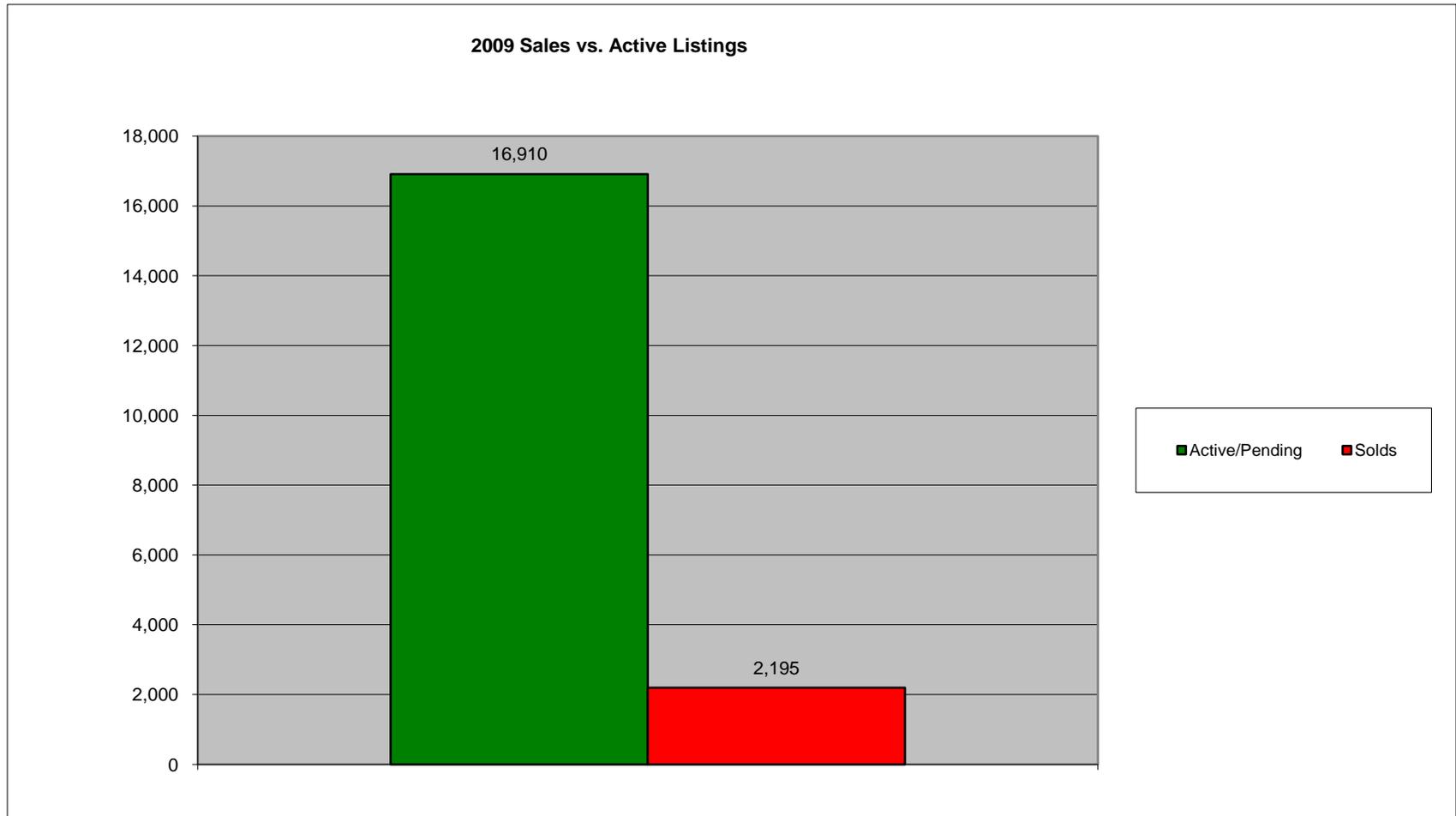
Data taken from Northwest Multiple Listing Service (NWMLS*)



*NWMLS doesn't represent the entire state.
Other MLS data may overlap with NWMLS data.

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2. Schedule That Optimizes Proceeds

- Four auctions a year - 20 parcels per auction
- Include a wide price range of properties and diverse property types to cover a broad market
- Target areas and property types of the best selling markets
- Unsold auction property remains available on a first-come, first-served basis at the minimum bid price

3. Recommended Cash Discount

- “Appraised Fair Market Value” is the cash price and sets the minimum bid.
- Historically, the sales price on contract sales has exceeded the minimum bid price – a market driven cash discount.
- The current marketplace dictates the value difference, the discount, between cash and a contract.

4. Plan to Report to the Joint Transportation Committee

- Biennial update is to be delivered in the first month (July) of each new biennium.
- This effort will require 2 FTE's six month's work.
- Will include an annual update in the Right-of-Way section of the Gray Notebook.

5. Recommendation For Regional Incentives

- Provide cost recovery
- Effectiveness will be reported in biennial and Gray Notebook reports

6. Recommendation for Equivalent Value Exchanges (EVE)

1. For EVE projects valued above \$1 million, WSDOT will submit projects through OFM for Legislative approval annually.
2. For EVE projects valued between \$500,000 and \$1 million, WSDOT will submit projects to OFM to analyze and approve.
3. EVE projects with a value of less than \$500,000 may be approved internally by WSDOT.

Status of the 266 “Should be Sold” Properties

Auction

3 Properties currently available

Minimum bid prices total \$468,000

Sold

3 Properties Sold-\$231,602

Pending

5 Properties in Negotiations

Projected Revenue of \$4,418,000

Other

1 removed-never acquired

2 Properties used as mitigation for repeat flood damage

Next Steps

- Complete the Interactive Auction Webpage
 - add all parcels
- Prepare for Spring 2010 auction

Questions?

For more information on the Surplus Property Report,
please contact:

Pasco Bakotich at
(360) 705-7231, or BakotiP@wsdot.wa.gov

or

Mike Palazzo at
(360) 705-7306, or PalazzM@wsdot.wa.gov.



Washington State
Department of Transportation