

CHAPTER 73.

[H. B. 195.]

PORT DISTRICTS—MARGINAL LANDS—INDUSTRIAL
DEVELOPMENT DISTRICTS.

AN ACT relating to port districts; authorizing the establishment, acquisition, improvement and development of industrial development districts therein; providing for the sale and lease of property within such industrial development district; and providing for the acquisition, improvement, development and redevelopment of marginal lands within the industrial development district, defining the term marginal lands; providing for foreitures and repealing chapter 53.24 RCW and chapter 53.28 RCW and chapter 45, Laws of 1939, as last amended by section 1, chapter 166, Laws of 1943 are repealed.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. It is hereby declared to be the public policy of the legislature of the state of Washington, that it is in the public interest to employ the power of eminent domain and advance and expend public moneys for the purposes herein contained, and to provide for means by which marginal area properties may be developed or redeveloped in accordance with the legislative policies hereinafter stated:

Legislative
policy.

(1) A sound development of the economic security of the peoples of the state of Washington is dependent upon proper development and redevelopment of marginal properties, and the general welfare of the inhabitants of the port districts in which they exist require the remedying of such injurious conditions marginal properties are now subjected to; and

(2) The development and redevelopment of such marginal area properties cannot be accomplished by private enterprise alone without public participation and assistance in the acquisition of land and planning and in the financing of land assembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor.

(3) To protect and promote sound development and redevelopment of marginal lands as hereinafter defined, and the general welfare of the inhabitants of the port districts in which they exist, to remedying such injurious conditions through the employment of all appropriate means.

(4) That whenever the development or redevelopment of such marginal lands cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land and planning and in financing of land assembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor, it is in the public interest to employ the power of eminent domain, to advance and expend public moneys for those purposes, and to provide for means by which such marginal lands may be developed or redeveloped.

(5) That the development or redevelopment of such marginal lands and the provision of appropriate continuing land use constitute public uses and purposes for which public moneys may be advanced or expended and private property acquired, and are governmental functions and are of state concern in the interest of health, safety and welfare of the state of Washington, and of the communities in which such areas exist.

(6) That the necessity in the public interest for the provision of this act is declared to be a matter of legislative determination.

Same.

SEC. 2. It is further found and declared that:

(1) The existence of such marginal lands characterized by any or all of such conditions constitutes a serious and growing menace which is condemned as injurious and inimical to the public health, safety, and welfare of the people of the communities in which they exist and of the people of the state.

(2) Such marginal lands present difficulties and

handicaps which are beyond remedy and control solely by regulatory processes in the exercise of the police power.

(3) They contribute substantially and increasingly to the problems of, and necessitate excessive and disproportionate expenditures for, crime prevention, correction, prosecution and punishment, the treatment of juvenile delinquency, the preservation of the public health and safety, and the maintaining of adequate police, fire and accident protection and other public services and facilities.

(4) This menace is becoming increasingly direct and substantial in its significance and effect.

(5) The benefits which will result from the remedying of such conditions and the redevelopment of such marginal lands will accrue to all the inhabitants and property owners of the communities in which they exist.

(6) Such conditions of marginal lands tend to further obsolescence, deterioration, and disuse because of the lack of incentive to the individual landowner and his inability to improve, modernize, or rehabilitate his property while the condition of the neighboring properties remains unchanged.

(7) As a consequence the process of deterioration of such marginal lands frequently cannot be halted or corrected except by redeveloping the entire area, or substantial portions of it.

(8) Such conditions of marginal lands are chiefly found in areas subdivided into small parcels, held in divided and widely scattered ownerships, frequently under defective titles, and in many such instances the private assembly of the land areas for redevelopment is so difficult and costly that it is uneconomic and as a practical matter impossible for owners to undertake because of lack of the legal power and excessive costs.

(9) The remedying of such conditions may re-

quire the public acquisition at fair prices of adequate areas, the redevelopment of the areas suffering from such conditions under proper supervision, with appropriate planning, and continuing land use.

(10) The development or redevelopment of land, or both, acquired under the authority of this act constitute a public use and are governmental functions, and that the sale or leasing of such land after the same has been developed or redeveloped is merely incidental to the accomplishment of the real or fundamental purpose, that is, to remove the condition which caused said property to be marginal property as in this act defined.

"Marginal
lands" defined.

SEC. 3. "Marginal Lands" is defined and characterized by any one or more of the following described conditions:

(1) An economic dislocation, deterioration, or disuse resulting from faulty planning.

(2) The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.

(3) The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.

(4) The existence of inadequate streets, open spaces, and utilities.

(5) The existence of lots or other areas which are subject to being submerged by water.

(6) By a prevalence of depreciated values, impaired investments, and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.

(7) In some parts of marginal lands, a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.

(8) In other parts of marginal lands, a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

(9) Property of an assessed valuation of insufficient amount to permit the establishment of a local improvement district for the construction and installation of streets, walks, sewers, water and other utilities.

(10) Lands within an industrial area which are not devoted to industrial use but which are necessary to industrial development within the industrial area.

SEC. 4. A port commission may, after a public hearing thereon, of which at least ten days' notice shall be published in a daily newspaper of general circulation in the port district, create industrial development districts within the district and define the boundaries thereof, if it finds that the creation of such industrial development district is proper and desirable in establishing and developing a system of harbor improvements and industrial development in such port district.

Industrial
development
districts;
formation.

SEC. 5. Any lands in an industrial development district acquired by the county by tax foreclosure, may, if the county commissioners deem the lands chiefly valuable for industrial development purposes, be conveyed to the port district. The lands shall be held in trust by the port district and may be managed, developed, leased, or sold by it as provided in this chapter.

Acquisition of
tax title
property.

From the proceeds of the sale or lease of the lands, the district shall first reimburse itself for any expense incurred by it in managing and developing the lands and any balance shall be paid to the county, which shall distribute it the same as general taxes collected in that year.

Acquisition
of private
property.

SEC. 6. With the approval of the county commissioners, any lands in an industrial development district, owned privately, which the port commission deems valuable for industrial development purposes, may be deeded to and accepted by the port district, subject to delinquent general taxes thereon. When the commission has recorded the deed and notified the county commissioners thereof, the county commissioners shall order all taxes assessed against the lands cancelled and the county treasurer shall record the cancellation, and remove the lands from the tax rolls. Thereafter the lands shall be held in trust, managed, developed, leased, and sold by the district, and the proceeds therefrom disposed of in the same manner as hereinabove provided.

Removal of
property
from trust.

SEC. 7. With the approval of the county commissioners, a port district may free any lands acquired by it pursuant to this act from the trust imposed upon it herein, by paying to the county the amount of the delinquent taxes against the land at the time the county acquired it by tax foreclosure, or the amount of the delinquent taxes against it when it was conveyed to the district by the private owner.

Reversion of
property after
10 years.

SEC. 8. Ten years from the date of its acquisition, property acquired by a port district pursuant to this act shall revert to the county to be used the same as property acquired by tax foreclosure, and upon demand by the county commissioners the port commission shall convey the property to the county, unless before the expiration of the ten year period, the port district has adopted a comprehensive plan of harbor improvement which provides for the improvement of an industrial development district which includes such lands or the district has freed the land from the trust imposed upon it as provided in this act.

Improvements;
expenditures.

SEC. 9. No expenditure for improvement of property in an industrial development district, other than

the expense of preparing and submitting a plan of improvement shall be made by a port district, and no property shall be acquired by it therefor except as provided for hereinbefore until it has been made a part of the comprehensive scheme of harbor improvements and industrial developments or amendments thereto.

That said comprehensive scheme or amendments thereto shall provide for the development or redevelopment of those marginal lands acquired and a provision for the continuing of the land uses which are hereby declared to constitute public uses and the purposes for which public moneys may be advanced and provide property acquired.

Comprehensive plan.

SEC. 10. All port districts wherein industrial development districts have been established are authorized and empowered to acquire by purchase or condemnation or both, all lands, property and property rights necessary for the purpose of the development and improvement of such industrial development district and to exercise the right of eminent domain in the acquirement or damaging of all lands, property and property rights and the levying and collecting of assessments upon property for the payment of all damages and compensation in carrying out the provisions for which said industrial development district has been created; to develop and improve the lands within such industrial development district to make the same suitable and available for industrial uses and purposes; to dredge, bulkhead, fill, grade, and protect such property; to provide, maintain, and operate water, light, power and fire protection facilities and services, streets, roads, bridges, highways, waterways, tracks, and rail and water transfer and terminal facilities and other harbor and industrial improvements; to execute leases of such lands or property or any part thereof; to establish local improvement districts within such

Powers of port districts; acquisition of property.

Assessments.

Improvements.

Leases.

Local improvements.

General powers.

industrial development districts which may, but need not, be coextensive with the boundaries thereof, and to levy special assessments, under the mode of annual installments, over a period not exceeding ten years, on all property specially benefited by any local improvement, on the basis of special benefits, to pay in whole or in part the damages or costs of any improvement ordered in such local improvement district; to issue local improvement bonds in any such local improvement district; to be repaid by the collection of local improvement assessments; and generally to exercise with respect to and within such industrial development districts all the powers now or hereafter conferred by law upon port districts in counties of the first class: *Provided*, That the exercise of powers hereby authorized and granted shall be in the manner now and hereafter provided by the laws of the state for the exercise of such powers by port districts under the general laws relating thereto insofar as the same shall not be inconsistent with this chapter.

Sale and conveyance of property; authorized.

SEC. 11. When a port commission deems it for the best interests of the district and the people thereof and in furtherance of its general plan of harbor improvement, or industrial development, or both, it may sell and convey any property or part thereof owned by it within an industrial district. This section shall not be limited by chapter 53.08 RCW, pertaining to powers of port districts.

Notice of sale.

SEC. 12. The port commission shall give notice of the proposed sale by publication in two newspapers published in the county, if there are two such newspapers, and by posting in three public places in the port district at least ten days before the date fixed for the hearing thereon.

The notice shall describe the property to be sold and state that at the time and place specified therein, the commission will meet at its usual meeting place,

designating it, to hear and determine the advisability of the sale.

The hearing shall be held not more than ten days from the publication of notice. At the hearing the commission shall hear the reasons of any taxpayer in the port district, for or against the sale. Hearing.

SEC. 13. Within three days after the hearing the commission shall make its findings and determination on the advisability of making the sale and enter its determination in its records. Any aggrieved party may appeal the determination of the commission by filing appeal with the superior court of the county in which the district is located within twenty days of the entry of the determination but no appeal shall be allowed except on the grounds that the action of the commission was arbitrary, capricious, or unlawful. Decision.
Appeal.

SEC. 14. If the determination is against the sale, all proceedings thereon shall terminate. If the commission determines in favor of the sale, it shall enter an order fixing a period, not less than twenty nor more than thirty days from the date of the order, during which bids will be received for the property or any part thereof, and give notice thereof in the same manner as for the hearing on the proposal to sell. Decision
against sale.
Decision
favoring sale:

SEC. 15. Bids may be submitted for the property or any part of it, and shall state the use which the bidder intends to make of it. The commission may require the successful bidder to file additional information as to the intended use, and may require of him security as assurance that the property will be used for that purpose. Bidding.

All sales shall be made to the best bidder, and in determining the best bid, the commission may also consider the nature of the proposed use and the relation thereof to the improvement of the harbor and the business and facilities thereof.

Terms and conditions of sale.

Within thirty days after the last day for submitting bids, the commission shall decide which if any bids it accepts. All sales shall be made upon such terms and conditions as the commission may prescribe.

Cancellation for failure to use or improve property.

SEC. 16. The purchaser shall, within one year from the date of purchase, devote the property to its intended use, or shall commence work on the improvements thereon to devote it to such use, and if he fails to do so, the port commission may cancel the sale and return the money paid on the purchase price, and title to the property shall revert to the district. This remedy shall be in addition to any other remedy under the terms of the sale. No purchaser shall transfer title to such property within one year from the date of purchase.

Restraint on alienation.

Covenants running with the property.

SEC. 17. All sales made in accordance with the provisions of this act shall have incorporated in the instrument of conveyance of title the conditions of this act relating to the use of the land as a covenant running with the land. Any violation of such covenant shall result in a right by the commission, as grantee, to forfeit the land.

Property to be devoted to public use. Procedure to qualify property for sale.

SEC. 18. All properties acquired in the manner herein set forth shall be devoted to the public use herein provided for. The port commission, after public hearing, of which notice shall be given for at least ten days prior to such hearing, by publishing in a newspaper of general circulation in the county, describing the property to be sold, and state the date, time and place of such hearing, such hearing shall be held not more than twenty days after such publication, may sell and convey any of the property so acquired by it within an industrial district. No sales shall be made, however, of the property of any industrial development district until the purchaser thereof shall have submitted to the port commission plans and specifications for the development of said

Conditions purchaser must meet.

property, and said plans and specifications shall be approved in writing before said property shall be conveyed, and the conditions upon which said properties are conveyed shall be set forth in the instrument conveying title thereof with the further condition that all of the provisions herein set forth shall be covenants running with the land.

SEC. 19. All port districts of the state of Washington which have created or may hereafter create industrial development districts in the manner provided by law, in addition to all powers possessed by such port districts, be and are hereby granted power of eminent domain to acquire real property within the limits of such industrial development district which property is marginal lands as the term is herein defined. The exercise of the power granted in this section shall be exercised in the same manner and by the same procedure as in or may be provided by law for cities of the first class except insofar as such duties may be inconsistent with the provisions of this act and the duties devolving upon the city treasurer under said law be and the same are hereby imposed upon the county treasurer for the purposes of this act.

Eminent domain.

SEC. 20. Port districts are hereby granted the power to advance their general fund moneys or credit, or both, without interest to accomplish the objects and purposes of this act, which fund shall be repaid from the sale or lease, or both, of such developed or redeveloped lands, provided, if the money advanced for such development or redevelopment was obtained from the sale of general obligation bonds of the port, then such advances shall bear the same rate of interest that said bonds bore.

Financing industrial district purposes.

SEC. 21. The determination that property sought by eminent domain proceedings is marginal lands as herein defined is a judicial question, provided that

Determining land to be marginal.

a duly adopted resolution of the commissioners of the port district that the property sought is marginal lands as the term is herein defined, setting forth the characteristics of the lands sought to be acquired which constitutes the marginal lands as herein defined, shall be prima facie evidence that such land is marginal lands as defined in this act.

Repeal. SEC. 22. Chapter 53.24 RCW and chapter 53.28 RCW and chapter 45, Laws of 1939, as last amended by section 1, chapter 166, Laws of 1943 are repealed:
Savings. *Provided*, That nothing herein contained shall be construed as affecting any existing right acquired under the provisions of said act.

Severability. SEC. 23. Should any section or provision of this act be held invalid by any court of competent jurisdiction, the same shall not affect the validity of the act as a whole or any part thereof other than the portion held to be invalid.

Passed the House February 3, 1955.

Passed the Senate February 25, 1955.

Approved by the Governor March 3, 1955.

CHAPTER 74.

[H. B. 351.]

INDUSTRIAL INSURANCE.

AN ACT relating to industrial insurance, also known as workmen's compensation; and amending section 1, chapter 128, Laws of 1923, and section 5, chapter 136, Laws of 1923, and section 1, chapter 281, Laws of 1947 and RCW 51.12-.010, 51.12.020, 51.12.030, 51.12.040, 51.12.050 and 51.12.070, and section 5, chapter 74, Laws of 1911 as last amended by section 3, chapter 115, Laws of 1951 and RCW 51.32.090.

Be it enacted by the Legislature of the State of Washington:

Amendment. SECTION 1. Section 1, chapter 128, Laws of 1923, and section 5, chapter 136, Laws of 1923, and section 1, chapter 281, Laws of 1947, (heretofore combined,