

## Chapter 2.104

# PROPERTY MANAGEMENT

Sections:

**2.104.010 Purpose.**

**2.104.020 Definitions.**

**2.104.025 *Repealed.***

**2.104.030 Inventory and inspections.**

**2.104.040 Disposal of surplus real and personal property.**

**2.104.045 Disposal of property for public benefit purposes.**

**2.104.050 General provisions for sale of real property.**

**2.104.060 General provisions for disposal of surplus County personal property.**

**2.104.070 Public hearing for notice of disposition of County-owned real property, personal property, or land bank property.**

**2.104.080 Disposition of proceeds.**

**2.104.090 Intergovernmental sales.**

**2.104.100 Sale for less than estimated market value.**

**2.104.110 Exchange for privately owned real property.**

## **2.104.120 Lease or rental of real property.**

## **2.104.130 Severability.**

### **2.104.010 Purpose.**

The purpose of this chapter, prepared in accordance with RCW [36.34.005](#), is to provide for the effective management and protection of all real and personal property owned by the County, including land bank property, and to ensure the valuable return from all sales, rentals, and leases of County real and/or personal property, and to provide for the disposing of all County real and/or personal property not required for County purposes; provided, that San Juan County reserves all powers now or hereafter granted to counties by Chapter [36.34](#) RCW. (Ord. 3-2002 § 1)

### **2.104.020 Definitions.**

Words and phrases which are capitalized in the text of this chapter utilize the definitions set out below. Noncapitalized words and phrases should be given their dictionary definition.

“County-owned real property” means all real property owned by the County which is not tax-titled property or land bank property.

County Real Estate Officer. The County administrator shall appoint a County real estate officer. The County real estate officer shall perform those duties with respect to the management of County-owned real property and tax-titled property as designated in this chapter or as further directed by the County administrator.

“Direct sale” means a sale made through negotiations or after a public hearing but without an oral or sealed bid, and in accordance with this chapter.

“Emergency” means an occurrence whereby County property would suffer material injury, loss, or damage by delaying action.

“Fair market value” is defined as an amount in a competitive market that a well-informed and willing buyer or tenant who desires but is not required to buy or lease would pay, and which a well-informed and willing seller or lessor who desires but is not required to sell or lease would accept, for the purpose of the purchase or use of the premises and/or personal property after due consideration of all the elements reasonably affecting the value.

“Land bank property” means real property or any interest in real property that is:

1. Acquired in whole or in part with funds pursuant to the requirements of Chapters [82.45](#) and [82.46](#) RCW (Conservation Area Real Estate Excise Tax); or
2. Under the jurisdiction of the land bank commission and held or acquired pursuant to Chapter [2.120](#) SJCC.

Land Bank Real Estate Officer. The land bank director, as established pursuant to SJCC [2.120.040](#), shall be the land bank real estate officer.

“Lease” means the rental of real property or real property interests for a period of time greater than two years.

“Public sale” means either sale by oral bids at a public auction or by award to the highest responsive and responsible bidder following an advertised call for sealed bids.

“Public benefit” means affordable housing for very low-income and low-income households as defined in RCW [43.63A.510](#), and related facilities that support the goals of affordable housing development in providing economic and social stability for low-income persons.

“Rent” means the rental of property for two years or less.

“Surplus property agent” shall be that person designated by the County administrator to fulfill the duties assigned in this chapter to the surplus property agent.

“Tax-titled property” shall mean all real property acquired by the County for lack of other bidders at a tax foreclosure sale.

“Worthless property” is that property which when processed in the manner most advantageous to the County cannot reasonably be sold for an amount sufficient to recoup the cost of sale or disposal. (Ord. 04-2021 § 1; Ord. 27-2007 § 1; Ord. 3-2002 § 2)

## **2.104.025 Real estate officer and surplus property agent.**

*Repealed by Ord. 27-2007. (Res. 59-2003)*

**2.104.030 Inventory and inspections.**

A. The County real estate officer shall maintain an inventory of all real property and real property interests owned or controlled by the County including tax-titled property but not including land bank property. Such inventory shall be prepared with the assistance of elected officials and department heads with information on real property.

B. The land bank real estate officer shall maintain an inventory of all real property and real property interests owned or controlled by the County as land bank property. All duties assigned to the County real estate officer which pertain to land bank property shall be the responsibility of the land bank real estate officer. (Ord. 3-2002 § 3)

**2.104.040 Disposal of surplus real and personal property.**

Whenever it appears to the County council that it is in the best interest of the County to sell or otherwise dispose of real property or personal property belonging to the County, the County shall dispose of such property in the manner provided in this chapter. Land bank property may be disposed of by sale or through a trade, only upon a recommendation of the land bank commission and ratification by the County council in accordance with the requirements of Chapter [16.54](#) SJCC. (Ord. 27-2007 § 3; Ord. 3-2002 § 4)

**2.104.045 Disposal of property for public benefit purposes.**

A. Disposal of surplus County property by transfer, lease, or other methods of disposal of such property for public benefit may be undertaken by utilizing the procedures in this section. This section provides an alternative only and does not impose any additional conditions on disposal made pursuant to other lawful authority.

B. Disposition of County surplus real property for public benefit purposes under this section may be made to a public, private, or nongovernmental body on any mutually agreeable terms and conditions, including a no-cost transfer, subject to and consistent with RCW [39.33.015](#), the Comprehensive Plan, and this chapter. Consideration paid to the County shall include appraisal costs, debt service, all closing costs, and any other liabilities to the County. However, such property may not be so transferred, leased, or disposed of if such transfer, lease, or disposal would violate any bond covenant or impair any contract.

C. Property disposal under this section shall be initiated through a request for proposal (“RFP”) process. The housing advisory committee (“HAC”) will develop RFP criteria for approval by the County council. The criteria used in evaluating responses to the RFP shall be enumerated and weighted on a property-specific basis.

D. Disposal of property under this section is subject to SJCC [2.104.070](#)(A) and (B). Prior to execution of the sale, the County council shall adopt findings that the procedures set out in this section were followed.

E. A deed, lease, or other instrument transferring or conveying property under this section shall include a covenant or other requirement that the property shall be used for a designated public benefit purpose and appropriate remedies that apply if the recipient of the property fails or ceases to use it for the designated public benefit purpose within 30 years of conveyance. (Ord. 04-2021 § 3)

#### **2.104.050 General provisions for sale of real property.**

A. Means of Disposal. County-owned real property or land bank property may be disposed of by:

1. Trade or exchange;

2. Sales:

a. Direct sales;

b. Public sales through oral or sealed bids.

B. Appraisal of Real Property. Except for real property with an assessed value of less than \$100,000, prior to the disposal of any real property the respective County or land bank real estate officer shall have an appraisal prepared of the estimated fair market value for such parcel. Any property with an assessed value of less than \$100,000 may use the assessed value in lieu of an appraisal in establishing a fair market value. The County council or the land bank commission, in the case of land bank property, shall consider the appraisal and assessed value in setting the minimum acceptable price for the property.

C. Land Bank Valuation Formula. For sales of less than a fee-simple interest of land bank property, the land bank formula for valuation of a particular property interest may be used in lieu of an appraisal to calculate the fair market value of the property interest being sold and/or traded.

D. Sale Proceeds. The sale proceeds and appropriate documentation shall be provided to the San Juan County treasurer no later than 5:00 p.m. on the first regular business day following the sale. (Ord. 27-2007 § 4; Ord. 3-2002 § 5)

**2.104.060 General provisions for disposal of surplus County personal property.**

A. Notification Regarding Surplus Property. All County departments shall promptly advise the surplus property agent of any personal property which is surplus to the department needs and the surplus property agent, when so advised, shall:

1. Offer such property to other County departments and, if requested, shall transfer custodianship of the property to that department.
2. If no other department has a current need for said property, the surplus property agent shall review whether the following are financially advantageous:
  - a. Trade-in of the property upon acquisition of a like article;
  - b. Rent or lease to a nongovernmental agency;
  - c. Sale, rent or lease to another governmental agency;
  - d. Direct sale;
  - e. Public sale.

B. Surplus Property Agent's Duty to Determine Value of Surplus Property. Personal property which a County department has determined to be surplus shall be appraised by the surplus property agent and an estimated fair market value shall be established by the surplus property agent in exercising his or her best professional judgment making a good faith determination as to the value of the property.

C. Worthless Property. When the surplus property agent determines that the surplus personal property is worthless, the property shall be disposed of by the surplus property agent in the most cost-efficient manner. The surplus property agent shall keep a record of the nature and condition of the property and the date and means of its disposal. Publication of notice and a public hearing shall not be required for the disposal of worthless property. In the event the value at the site is less than the cost of hauling the property to another place of use or disposal, the surplus property agent may donate the property to any person or entity in the order of priority, as specified,

provided a record be kept by the surplus property agent of the name and address of the recipient and the property received. In no event shall property be given to County employees or members of their families.

The order of priority is as follows:

1. Other government entities;
2. Local nonprofit organizations;
3. Thrift stores (government operated);
4. Thrift stores (privately operated);
5. Private entities;
6. Solid waste facilities.

D. Authority to Dispose of Personal Property. The surplus property agent may declare the property to be either worthless, worth less than \$2,500, or trade-in property under this section without approval of the County council.

E. Decision to Dispose of Personal Property. Periodically, the surplus property agent shall submit a list of surplus personal property to the County council and if the County council finds by resolution following a public hearing that it is in the best interests of the County to sell, rent or lease each article of personal property, the property may be sold, rented or leased as follows:

1. Under the limitations, restrictions, and in the manner provided for the sale, rent or lease of property as provided in this chapter;  
or
2. If the County council determines that there is no competitive local market for sale of the property, the County council may direct that the property be consigned to an auctioneer in another county to be disposed of by oral or sealed bids.

F. Direct Sales of Personal Property. When the County council has declared by resolution setting forth the facts that an emergency exists, or when the personal property to be sold is worth less than \$2,500, the surplus property agent may proceed with a direct sale of the property without a public hearing under such terms and conditions he/she deems appropriate, provided the purchase price meets or exceeds the fair market value of the property as determined in good faith by the surplus property agent. Trade-in of personal property shall be done in accordance with Chapter [36.34](#) RCW.

G. Title. The title to personal property owned by the County shall not be transferred until such time as the purchase price has been paid or the property has been declared to be worthless.

H. Sale Proceeds. The sale proceeds and appropriate documentation shall be provided to the San Juan County treasurer no later than 5:00 p.m. on the first regular business day following the sale.

I. Retired Animals. Animals used in law enforcement or elsewhere in the County may be disposed of upon the end of their useful lives or when otherwise surplus to the needs of the County as follows:

1. The animal may be placed with its County handler, if the handler is interested and is financially and emotionally capable of caring for the animal humanely.
2. If the handler is not interested in or capable of caring for the animal, it may be placed with another qualified person who is financially and emotionally capable of caring for the animal humanely. Applications from interested parties will be accepted and reviewed by the surplus property agent. The agent shall make the final selection.
3. The party with whom the animal is placed must sign an agreement with the County, prior to placement, accepting all financial responsibility for the animal's care and relieving the County from all liability for the animal's actions after the time of placement.
4. If a written determination is made by the appropriate department head or elected official that the animal is of de minimis value, placement shall be at no charge to the new owner.
5. At the discretion of the surplus property agent, retired animals may be sold via direct sale for a reasonable price to other municipalities that can make use of the animal's skills. (Ord. 11-2022 § 1; Ord. 27-2007 § 5; Ord. 3-2002 § 6)

**2.104.070 Public hearing for notice of disposition of County-owned real property, personal property, or land bank property.**

A. Notice of Hearing. Notice on the proposed disposal of any County property shall be in accordance with RCW [36.34.020](#) and [36.34.030](#). A notice of intent to sell may be included with a notice of public hearing. Notice shall be published at least 10 days before the public hearing.

B. Public Hearing. The County council shall hold a public hearing on the proposal to dispose of County property in accordance with RCW [36.34.040](#). In the case of land bank property a hearing shall be held only upon the recommendation of the land bank commission. After conducting the hearing, the County council shall:

1. Determine if the sale of property shall be by direct sale or public sale;
2. Proceed with a direct sale at its sole discretion under such terms and conditions it deems appropriate, provided the purchase price either meets or exceeds the fair market value of the property or complies with the provisions of SJCC [2.104.110](#).
  - a. If the County council determines that the sale shall be by direct sale, it may then either authorize the County real estate officer or the land bank real estate officer to execute all documents, or require that they be brought back to the board as an agenda item;
3. Determine that the property shall be sold at a public sale in accordance with RCW [36.34.080](#).
  - a. If the County council decides that said property shall be sold through a public sale, either by oral or sealed bid, the County council shall set a date and it shall provide notice in accordance with RCW [36.34.090](#) and [36.34.100](#).

C. Findings and Determination. Prior to execution of the sale, the County council shall adopt findings and a determination that the procedures set out in this chapter were followed including the requirement that either:

1. The sale price reflects the fair market value of the property; or
2. The conditions set out in SJCC [2.104.110](#) were met. (Ord. 27-2007 § 6; Ord. 3-2002 § 7)

**2.104.080 Disposition of proceeds.**

Proceeds derived from the sale of County-owned real property and County-owned personal property shall be disposed of in accordance with RCW [36.34.110](#), [36.34.120](#), [36.68.010](#) and other applicable state laws. The County treasurer shall promptly credit to the San Juan conservation area fund all proceeds resulting from the sale of land bank real property. (Ord. 3-2002 § 8)

**2.104.090 Intergovernmental sales.**

Intergovernmental sales shall be in accordance with RCW [36.34.130](#). In addition, intergovernmental sales of land bank real property shall follow the requirements of Chapter [16.54](#) SJCC and shall not be for less than fair market value. (Ord. 3-2002 § 9)

**2.104.100 Sale for less than estimated market value.**

The County council may dispose of County-owned real property for less than fair market value, only as provided for in Chapter [36.34](#) RCW, for a public benefit purpose as provided in RCW [39.33.015](#) and this chapter, or for the necessary support of the poor and infirm. County-owned real property shall be sold or disposed of for less than fair market value for the necessary support of the poor and infirm only after a public hearing by the County council, and after a specific finding by the County council that said property is to be used for the necessary support of the poor and infirm. The title to any property transferred for the purpose of providing necessary support for the poor and infirm shall contain a reversionary clause that states that title shall revert back to San Juan County if said property is no longer used for the necessary support of the poor and infirm. The reversionary clause shall terminate after 20 years from date of sale. In no case shall the County dispose of land bank property for less than fair market value. (Ord. 04-2021 § 2; Ord. 27-2007 § 7; Ord. 3-2002 § 10)

**2.104.110 Exchange for privately owned real property.**

The County council shall have the authority to exchange County-owned real property or land bank property for privately owned real property whenever it is determined by a decree of the San Juan County superior court, after publication of notice of hearing is given as directed by the court, that:

- A. The real property proposed to be exchanged is not necessary to the future foreseeable needs of the County; and
- B. The real property to be acquired by such exchange is necessary for the future foreseeable needs of the County; and

C. The consideration received by the County is equal to the consideration given. If the value of the two properties traded is unequal, the party receiving real property of greater value must pay the difference in value in cash at the time of the exchange. The court shall make a finding as to the value of each property and the amount of cash, if any, to be paid at the time of the exchange; and

D. The County council shall follow the procedures of Chapter [16.54](#) SJCC when trading land bank property. No trade can be made without a finding by the land bank commissioners that the land bank property is not necessary to meet the conservation needs of the land bank and a recommendation by the land bank commissioners that the trade is in the best interests of the land bank. (Ord. 27-2007 § 8; Ord. 3-2002 § 11)

### **2.104.120 Lease or rental of real property.**

A. If it appears that it is in the best interest of the County, the County may lease or rent any real property and its appurtenances. Every lease or rental of land bank property shall be made only for uses not inconsistent with or detrimental to the purpose/rationale which justified the acquisition and only upon the recommendation of the land bank commissioners.

B. The rental of real property or real property interests for less than two years may be done by direct negotiation without publishing a notice of intent to rent or holding a public hearing, provided the rental rate reflects the fair rental value of the property. Rental agreements may be executed by the County administrator.

C. The lease of real property may be done by direct negotiations. No lease shall be executed until after publishing a notice of intent to lease and holding a public hearing regarding the proposed lease. Notice shall be published at least 10 days before the public hearing. Leases must either be executed by the County council or by the County administrator if so authorized by the council.

D. Fair Market Value. Prior to renting or leasing real property, the County or land bank real estate officer shall conduct, or have conducted, a market review or rental study to determine the fair rental or leasehold value of the property. The County council shall consider the results of the study in setting the terms of the lease. The County administrator shall consider the results of the study in setting the terms of a rental agreement.

E. Temporary Events. Use of County property for temporary events may be done through a license agreement or permit executed by department heads or elected officials responsible for the management of the County property. This shall include, for example,

commercial use permits issued by the parks department or the land bank.

F. Proceeds. All proceeds from leases and rentals of real or personal property shall be deposited in the applicable County fund that has management responsibility over the property. Proceeds from the lease or rental of land bank real property shall be credited to the land bank's conservation area fund or stewardship fund. (Ord. 19-2010 § 1; Ord. 27-2007 § 9; Ord. 3-2002 § 12)

### **2.104.130 Severability.**

If any provision of this chapter or its application to any person, legal entity, or circumstances is held to be invalid, the remainder of this chapter and the application of the remaining provisions to other persons or circumstance shall not be affected. (Ord. 3-2002 § 13)

---

The San Juan County Code is current through Ordinance 5-2023, passed May 16, 2023.

Disclaimer: The Clerk of the County Council's office has the official version of the San Juan County Code. Users should contact the Clerk of the County Council's office for ordinances passed subsequent to the ordinance cited above.

City Website: <https://www.sanjuan.co.com/>

City Telephone: (360) 378-4101

[Code Publishing Company](#)