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Introduced By: Cynthia Sullivan
Proposed No.: 96-538

ORDINANCE NO. **12394**

AN ORDINANCE relating to management, sale, leasing and disposition of real property for and by the county amending Ordinance 12045, Sections 4, 5, 10, 14 and 15, as amended, and amending Ordinance 11955, Section 3 and adding a new section to K.C.C. 4.56.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12045, Section 4 is hereby amended to read as follows:

Property service division - Responsibilities.

A. Except as provided in this chapter, the property services division, acting under the supervision of the director, department of construction and facility management, shall be the sole organization responsible for the administrative processes of acquiring, disposing, inventorying, leasing and managing real property, the legal title of which rest in the name of the county, or which the county manages in a trust capacity.

B. The property services division shall be the sole agency responsible for inventorying and disposing of county personal property.

C. Open space, trail, park, agriculture and other natural resource properties shall be acquired by the department of natural resources, unless the executive directs the property services division to make such acquisitions.

D. Real property and interests in real property necessary for the metropolitan public transportation and metropolitan water pollution abatement functions shall be acquired and managed by the departments of transportation and natural resources, respectively, as set forth in this chapter, unless the executive directs the property services

1 division to make such acquisitions and/or manage such
2 properties.

3 E. County departments shall be responsible for
4 maintaining all real property for which they are the
5 custodian.

6 SECTION 2. Ordinance 12045, Section 5 is hereby amended
7 to read as follows:

8 Property services division, county departments -
9 Responsibilities and powers in declaring county real property
10 surplus.

11 A. The property services division shall no later than the
12 end of the first quarter of the calendar year, maintain and
13 update a current inventory of all county titled real property
14 with detailed information as to current departmental
15 custodianship and as to the characteristics that determine its
16 economic value and potential uses; provided, that all county
17 roads shall be excluded from the provision of this section.

18 B. No later than June 30th of each calendar year, each
19 department shall submit a report to the property services
20 division on the status of all real property for which the
21 department is the custodian and include in the report any
22 change in use or status since the previous year's report.

23 C. County departments shall be required, no later than
24 June 30th of every third calendar year beginning with 1996, to
25 justify departmental retention of all real property for which
26 the department is the custodian to the property services
27 division.

28 1. If in the judgment of the property services division
29 a county department cannot justify the retention of real
30 property for which it is the custodian or if a department
31 determines that real property is surplus to its needs, the
32 property services division shall determine whether any other
33 county department has a need for the property that is related
34 to the provision of essential government services, including
35 but not limited to services for the public health, public
36 safety, or services related to transportation, water quality.

1 surface water or other utilities. If the property is not
2 needed for the provision of essential government services, the
3 property services division shall then determine if the parcel
4 is suitable for affordable housing. If it is deemed suitable
5 for housing the county shall first attempt to make it
6 available or use it for affordable housing pursuant to Section
7 3 or 4. Suitable for affordable housing for the purpose of
8 this section means the parcel is located within the Urban
9 Growth Area, zoned residential and the housing development is
10 compatible with the neighborhood. If the property is not
11 deemed suitable for the purposes described above, then it
12 shall be determined whether any other department has a need
13 for the parcel.

14 2. If another department can demonstrate a need for
15 said real property, custodianship of such real property shall
16 be transferred to that department without any financial
17 transaction between present and future custodial
18 organizations, except as required by RCW 43.09.210, as
19 amended, or under grants.

20 3. If no other department can demonstrate a need for
21 such real property, said real property shall be declared
22 surplus to the future foreseeable needs of the county and may
23 be disposed of as set forth in this chapter.

24 D. The property services division shall review and
25 make recommendations to the executive for uses other than the
26 sale of surplus real property prior to a decision by the
27 executive to dispose of such properties through sale. Other
28 possible uses that shall be considered by the division in
29 accordance with the provisions of this chapter, are:

- 30 1. Exchanges for other privately or publicly owned
31 lands that meet the county's land needs;
- 32 2. Lease with necessary restrictive covenants;
- 33 3. Use by other governmental agencies;
- 34 4. Retention by the county if the parcel is classified
35 as floodplain or slide hazard property; and
- 36 5. Use by nonprofit organizations for public purposes.

1 6. Long-term lease or sale for on-site development of
2 affordable housing.

3 E. The property service division in consultation with the
4 office of budget and strategic planning and the department of
5 community and human services shall, no later than the third
6 quarter of the calendar year, submit a report to the council
7 identifying surplus county real property suitable for the
8 development of affordable housing. Affordable housing for
9 the purpose of this ordinance means residential housing that
10 is rented or owned by a person:

11 a. who is from a special needs population and whose
12 monthly housing costs, including utilities other than
13 telephone, do not exceed thirty percent of the household's
14 monthly income, or;

15 b. who qualifies as a very low-income, low-income, or
16 moderate-income household as those terms are defined in RCW
17 43.63A.510.

18 NEW SECTION. SECTION 3. There is added to K.C.C. 4.56 a
19 new section to read as follows:

20 Public/Private Development Projects on or with County
21 Property.

22 A. The office of budget and strategic planning shall
23 assist the department of construction and facilities
24 management to determine the potential public/private uses of
25 county owned real and personal property.

26 B. The department of construction and facilities
27 management shall assist county departments in capital
28 facilities planning and, in collaboration with the office of
29 budget and strategic planning, investigate the feasibility
30 of, and when feasible, facilitate, public/private
31 partnerships in the use of county property, pursuant to
32 Section 2 of this ordinance. These investigations shall
33 include such actions as:

- 34 1. prepare market and financial feasibility studies,
35 hold public meetings, and prepare recommendations;
36 2. brief the executive and council;

- 1 3. solicit developer proposals;
- 2 4. select the developer;
- 3 5. obtain council approval;
- 4 6. negotiate the developer agreement;
- 5 7. monitor the development and use of assets.

6 C. The office of budget and strategic Planning shall
7 provide assistance to other county departments to determine
8 if real property or other assets may be managed for economic
9 development purposes or administered in a manner that will
10 provide revenue to the County.

11 SECTION 4. Ordinance 12045, Section 10 is hereby amended
12 to read as follows: Sale of property - Public auction or
13 Sealed Bid.

14 A. All sales of real and personal property shall be made
15 to the highest responsible bidder at public auction or by
16 sealed bid except when:

- 17 1. County property is sold to a governmental agency;
- 18 2. The county executive has determined an emergency to
19 exist; or the county council, by ordinance, has determined
20 that unique circumstances make a negotiated direct sale in the
21 best interests of the public;
- 22 3. County real property is traded for real property of
23 similar value, or when county personal property is traded for
24 personal property of similar value;
- 25 4. The property services division has determined that
26 the county will receive a greater return on real property when
27 it is listed and sold through a residential or commercial real
28 estate listing service;
- 29 5. County personal property is traded in on the
30 purchase of another article; ((and))
- 31 6. Property has been obtained by the county through the
32 proceeds of grants or other special purpose funding from the
33 federal or state government, wherein a specific public
34 purpose(s) is set forth as a condition of use for such
35 property, said purpose(s) to be limited to the provision of
36 social and health services or social and health services

1 facilities as defined in Washington Statute RCW Chapter
2 43.83D, and it is deemed to be in the best interest of the
3 county, in each instance, upon recommendation by the county
4 executive and approval by the county council, that in order to
5 fulfill said condition of use, the county may sell or
6 otherwise convey the property in some other manner consistent
7 with the condition of use; provided, that in the event such
8 property is conveyed pursuant to the provisions of this
9 subdivision, the conveyee(s) shall be limited to private,
10 nonprofit, corporations duly organized according to the laws
11 of the state of Washington, which nonprofit corporations are
12 exempt from taxation under USC § 501(c) as amended, and which
13 nonprofit corporations are organized for the purpose of
14 operating social and health service facilities as defined by
15 Washington Statute RCW Chapter 43.83D;

16 7. The county property is sold for on-site development
17 of affordable housing which provides a public benefit,
18 provided that the developer has been selected through a
19 request for proposals;

20 8. It is deemed to be in the public interest to restrict
21 the use of the project for provision of social or health
22 services or such other public purposes as the county deems
23 appropriate.

24 B. The county may, if it deems such action to be for the
25 best public interest, reject any and all bids, either written
26 or oral, and withdraw the property from sale. The county may
27 then renegotiate the sale of withdrawn property, providing the
28 negotiated price is higher than the highest rejected bid.

29 C. Whenever the procedures of a grant agency having an
30 interest in real or personal property requires disposition in
31 a manner different from the procedures set forth in this
32 chapter, the property shall be disposed of in accordance with
33 the procedures required by this chapter unless the grant
34 agency specifically requires otherwise.

35 SECTION 5. Ordinance 12045, Section 14 is hereby amended
36 to read as follows:

1 Authority to lease or rent county real property.

2 A. If it appears that it is for the best interests of
3 the county and the people thereof, the county may lease any
4 county real property and its appurtenances for a year or a
5 term of years under the limitations and restrictions and in
6 the manner provided in this chapter.

7 B. The county may lease such county real property and its
8 appurtenances whether such property was acquired by tax deed
9 under foreclosure proceedings for nonpayment of taxes or
10 whether held or acquired in any other manner.

11 C. Any lease executed under the authority of the
12 provisions of this section creates a vested interest and a
13 contract binding upon the county and the lessee.

14 D. The county may enter into rental agreements for a term
15 less than one year, including month-to-month rental
16 agreements, on terms and conditions that are in the best
17 interest of the county. All such rental agreements are
18 subject to approval by the executive based on recommendations
19 of the property services division. Rental agreements for a
20 term less than one year are exempt from the appraisal and
21 notice requirements pertaining to leases for a year or more;
22 provided, that the property services division shall maintain a
23 file of appropriate correspondence or such information which
24 leads to a recommendation by the property services division to
25 the county executive to enter into such an agreement, such
26 information shall be available for public inspection at the
27 property services division for one year after termination of
28 such tenancies.

29 E. The county may, in the best interests of the county,
30 enter into agreements for the use of county property with bona
31 fide, nonprofit organizations, with another governmental
32 agency when the property is to be used for a medical training
33 and research facility connected with a county hospital, or
34 (~~with community groups~~) wherein the nonprofit organization
35 or governmental agency (~~or community group~~) is either to use
36 the property for affordable housing, to make improvements to

1 the county property and/or provide services which will benefit
2 the public. Such agreements will be exempt from the
3 requirements of fair market value, appraisal, and notice.
4 Such agreements are subject to the approval of the executive,
5 based upon recommendation of the property services division
6 and the department having custodianship of the property
7 subject to the agreement, provided that the property services
8 division shall maintain a file of appropriate correspondence
9 or such information which leads to a recommendation by the
10 division to the county executive to enter into such an
11 agreement, such information shall be available for public
12 inspection at the property services division for one year
13 after termination of such tenancies.

14 F. For rental or lease agreements, including concession
15 agreements, on county parks or open space properties, the
16 parks and cultural resources department shall have the
17 authorities and responsibilities specified in paragraphs D and
18 E of Section 14 of this ordinance for the property services
19 division.

20 SECTION 7. Ordinance 12045, Section 15 is hereby amended
21 to read as follows: Manner of awarding lease or rental
22 agreement.

23 A. Except as provided in paragraphs D and E, of Section 5
24 of this ordinance, and paragraph D of Section 15 of ((this))
25 Ordinance 12045, fair market rental value, as defined in
26 K.C.C. 4.56.010, shall be the basis for all leases of county
27 real property. All leases will be awarded upon the best terms
28 and conditions available to the county.

29 B. Except as provided in paragraph D of Section 15 of
30 ((this)) ordinance 12045, when the county authorizes a new
31 lease, or the renewal of a lease once executed and delivered,
32 the property services division shall make an appraisal of the
33 fair market rental value of such property, and such fair
34 market rental value will serve as the basis for the new lease
35 or renewal. After said review, the manager of the property
36 services division shall determine whether the new lease, or

1 renewal of an existing lease is to be awarded by competitive
2 bidding or by negotiation with interested parties without
3 bidding. New leases shall be awarded by competitive bidding
4 unless the manager of the property services division
5 determines it is advantageous to the county to negotiate
6 without bidding. In the event the county negotiates the award
7 of lease contracts, the property services division shall
8 submit to the executive the reasons for recommending award
9 through negotiation rather than competitive bidding. At the
10 option of the executive, competitive bidding may be required.
11 The county shall give notice of its intention to execute a
12 lease by publishing a notice in a legal newspaper at least
13 once a week for the term of two weeks. The notice so
14 published shall adequately describe the property to be leased,
15 and shall contain a notice that a copy of the lease is
16 available for public inspection at the property services
17 division. Such notice requirement shall not apply to leases
18 or renewals awarded through competitive bidding, or pursuant
19 to the provisions of paragraph D of Section 15 of this
20 ordinance. Every new lease, or extension, modification or
21 renewal of a lease once executed and delivered, shall be
22 signed or caused to be signed, by the county executive, in
23 accordance with Section 320.20 of the King County Home Rule
24 Charter, following analysis and recommendations of the manager
25 of the property services division and the county department
26 having custodianship of the property. After awarding of the
27 new lease, modification, extension or renewal, a copy of the
28 instrument, as executed and delivered shall be available for
29 public inspection at the property services division.

30 C. When the county elects to lease its property pursuant
31 to public bidding, the county shall advertise to the extent
32 which the county deems necessary to effect an advantageous
33 lease. Such advertising shall include publishing a notice in
34 a legal newspaper at least once a week for three consecutive
35 weeks, the last notice to appear no more than five days prior
36 to the date of the auction or bid opening. When a lease of

1 county real property is awarded through competitive bidding,
2 the lease shall be awarded to the highest responsible bidder;
3 provided, that whenever there is reason to believe that the
4 highest acceptable bid is not the best rental obtainable, all
5 bids may be rejected and the county may call for new bids or
6 enter into direct negotiations to achieve the best possible
7 rental. Each bid, with the name of the bidder, shall be
8 recorded by the property services division, and each record,
9 with the name and address of the successful bidder and the
10 amount of the successful bid, shall, after the awarding of the
11 lease, be open to public inspection at the property services
12 division. In determining the highest responsible bidder, in
13 addition to rental, the following elements shall be given
14 consideration:

15 1. The financial responsibility of the bidder, and
16 references therefor;

17 2. The previous and existing compliance by the bidder
18 with the terms of other leases of county real property and the
19 laws relating thereto;

20 3. Such other information as may be secured relevant to
21 the decision to award the lease.

22 D. If property was obtained by the county through the
23 proceeds of grants or other special purpose funding from
24 either or both the federal and state government, wherein a
25 specific public purpose(s) is set forth as a condition of use
26 for such property, the purpose(s) to be limited to the
27 provision of social and health services or social and health
28 services facilities as defined in RCW Chapter 43.83D and upon
29 recommendation by the county executive and approval by the
30 county council, the property services division may obtain and
31 lease out the property pursuant to such terms and conditions
32 as are consistent with said purposes; provided, that in the
33 event such property is leased pursuant to the provisions of
34 this subsection, the lessee(s) shall be limited to private,
35 nonprofit corporations duly organized according to the laws of
36 the state of Washington which nonprofit corporations are

1 exempt from taxation under 26 U.S.C. Section 501(b) as amended
2 and which nonprofit corporations are organized for the purpose
3 of operating social and health services facilities as defined
4 by RCW 43.83D.

5 SECTION 8. Ordinance 11955, Section 3 is hereby amended
6 to read as follows:

7 County executive and deputy county executive.

8 A. The county executive shall manage and be fiscally
9 accountable for budgeting and strategic planning which shall
10 include the following:

11 1. Plan, prepare and manage, with emphasis on fiscal
12 management and control aspects, the annual operating and
13 capital improvement budgets;

14 2. Prepare forecasts of an monitor revenues;

15 3. Monitor expenditures and work programs in
16 accordance with Section 475 of the charter;

17 4. Develop and prepare expenditure plans and
18 ordinances to manage the implementation of the operating and
19 capital improvement budgets throughout the fiscal year;

20 5. Develop and use performance indicators to monitor
21 and evaluate the effectiveness and efficiency of county
22 agencies;

23 6. Formulate and implement financial policies
24 regarding revenues and expenditures for the county and other
25 applicable agencies;

26 7. Perform program analysis, and contract and
27 performance evaluation review;

28 8. Manage and coordinate the implementation by
29 departments of GMA requirements;

30 9. Develop proposed policies to address strategic
31 planning, regional planning, implementation of the county's
32 comprehensive plan, economic development, and housing
33 planning;

34 10. Develop and oversee the county-wide program for
35 implementation of the county's comprehensive plan, including

1 coordinating the implementation of plans which are developed
2 by departments;

3 11. Coordinate county and regional planning with
4 public and private agencies;

5 12. Manage programs and develop projects that promote
6 economic development, assist communities and businesses in
7 creating economic opportunities, promote a diversified
8 regional economy, promote job creation with the emphasis on
9 family-wage jobs, and improve county asset management;

10 13. Develop and manage housing programs and projects
11 that implement GMA policies and have not been assigned to a
12 department;

13 14. Prepare interlocal agreements between and/or
14 among the county, cities and providers of necessary urban
15 services such as sewer and water as needed to address common
16 planning issues; ((and))

17 15. Collect and analyze land development, population,
18 housing, natural resource enhancement, and economic activity
19 data to aid decision making and to support implementation of
20 county plans and programs, including benchmarks. The
21 executive may assign or delegate budgeting and strategic
22 planning functions to employees in the office of the
23 executive but shall not assign or delegate such functions to
24 any department; and

25 16. The office of budget and strategic planning shall
26 provide assistance to other county departments to determine
27 if real property or other assets may be managed for economic
28 development purposes or administered in a manner that will
29 provide revenue to the County.

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31 B. The deputy county executive shall, at the discretion
32 of the county executive, assist the executive in the
33 management of all county agencies except as otherwise
34 provided by the Charter or by ordinance. The deputy county
35 executive shall manage and be fiscally accountable for the
36 administrative office of human resource management.

1 C. Office of Human Resource Management. The
2 administrative office of human resources management shall
3 have the following duties:

4 1. Develop proposed and administer adopted policies
5 and procedures for employment (recruitment, examination and
6 selection), classification and compensation, and salary
7 administration;

8 2. Administer insured and non-insured benefits
9 programs, including health care benefits, leave programs,
10 deferred compensation and other special benefits (e.g.,
11 dependent care assistance, wellness and work/family
12 programs);

13 3. Develop proposed and administer adopted human
14 resources proposed policy;

15 4. Provide technical and human resources information
16 services support;

17 5. Develop and administer training and organizational
18 development programs, including centralized employee and
19 supervisory training and other employee development programs;

20 6. Develop and administer diversity management and
21 employee relations programs, including affirmative action
22 plan development and administration, management and
23 supervisory diversity training, and conflict resolution;

24 7. Develop and administer workplace safety programs,
25 including inspection of work sites and dissemination of
26 safety information to employees to promote workplace safety;

27 8. Administer King County's self-funded industrial
28 insurance/worker's compensation program, as authorized by
29 Title 51, RCW;

30 9. Represent county agencies in the collective
31 bargaining process as required by RCW 41.56;

32 10. Represent county agencies in labor arbitrations,
33 appeals and hearings including those set forth in RCW 41.56
34 and required by K.C.C. Title 3;

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- 11. Administer labor contracts and provide consultation to county agencies regarding the terms and implementation of negotiated labor agreements;
- 12. Advise executive and council on overall county labor and employee policies;
- 13. Provide labor relations training for county agencies, executive, council and others;
- 14. Oversee the county's unemployment compensation program; and
- 15. Develop and maintain databases of information relevant to the collective bargaining process.

SECTION 9. Severability. The provisions of this ordinance shall be effective in all cases unless otherwise provided by federal law. The provisions of this ordinance are separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or other portion of this ordinance or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance or the validity of the application to other persons or circumstances.

INTRODUCED AND READ for the first time this 24th day of June, 1996.

PASSED by a vote of 13 to 0 this 22nd day of July, 1996.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Jim Hague
Chair

ATTEST:

Ronald G. Peterson
Clerk of the Council

APPROVED this 2nd day of August, 1996.

Doug Locke
King County Executive

Attachments: