

**Enterprise Services Enterprise Policy No. RES.01.04** 

# Delegation of Limited Authority for Real Property Functions and Transactions Policy

**Applies to**: state agencies, institutions, departments, commissions, boards, or federal agencies where joint state and federal activities are undertaken.

Information contact: Real Estate Services Operations Manager, Real Estate Services (RES)

**Governance:** Listed below are applicable governing requirements. Note: Laws and rules may change over time and such changes may take precedence over this policy.

- State Law: RCW 43.82.010 Acquisition, lease, and disposal of real estate for state agencies—Long-range planning—Use of lease as collateral or security—Colocation and consolidation—Studies—Delegation of functions—Exemptions.
- State Law: RCW 43.63A.510 Affordable housing—Inventory of state-owned land
- State Law: RCW 43.17.400 Disposition of state-owned land—Notice to governmental entities—Right of first refusal
- State Law: <u>RCW 39.33.010 Sale</u>, exchange, transfer, lease of public property authorized—Section deemed alternative
- State Law: RCW 39.33.015 Transfer, lease, disposal of public property for affordable housing.

First effective date: January 12, 2022

Last update: N/A

Sunset review date: October 1, 2025

Approved by:

Tara C. Smith, Director

## Purpose

The purpose of this policy is to:

- Provide direction and clarity regarding delegation of the statutory authority of the director of the Department of Enterprise Services (DES) under RCW 43.82.010,
- Minimize the risk of the misuse of the director's statutory authority,
- Provide a process and criteria by which the Department of Enterprise Services (DES) delegates to other agencies limited authority for real estate functions and transactions.

#### **Definitions**

**Agency** means elected state officials, state agencies, institutions, departments, commissions, boards, or federal agencies where joint state and federal activities are undertaken.

**Director** means the executive head of the Department of Enterprise Services.

**Real property** means buildings, land, or buildings and land.

**Real property authority** means authority limited to managing or conducting a single defined project involving no more than one of the following functions:

- Acquire or dispose of real property,
- Acquire leased real property,
- Manage or conduct an alteration of leased real property, and
- Renew a real property lease or rental agreement.

Signature authority means authority to execute an agreement that financially binds the state relating to:

- Anything involving the exchange of money or property,
- Obligations or commitments requiring payment to perform or acquire services, personal property or real property, or
- The assumption of a liability (e.g., indebtedness) or potential liability, currently or in the future (e.g., the state agreeing to indemnify another party).

## Policy Statement

State law under <u>RCW 43.82.010</u> reserves specific functions related to the acquisition, lease, and disposal of real property for the <u>director</u>. When appropriate, the director may delegate <u>limited real property</u> <u>authority</u> to <u>agencies</u> including setting limitations, conditions, and other requirements of the delegation.

The decision to delegate real property authority is solely at the discretion of the director or the director's delegate.

DES expressly prohibits agencies from further delegating real property authority received from the Department of Enterprise Services.

# Policy

- A. DES's Real Estate Services Division (RES) will develop and put in place procedures and forms RES will develop and implement enterprise-wide procedures and forms addressing at a minimum the following areas:
  - Submittal and review of requests for delegation of real property authority,
  - Issuance and tracking of requests for delegation of real property authority.
- B. Requests for delegation of real property authority shall be in writing and signed by an authorized representative of the <u>agency</u>.
- C. DES's Real Estate Services Division (RES) will review and evaluate requests for delegation of real property authority.

DES will only grant delegation requests designated as low risk. At a minimum, RES will consider the following criteria when making a decision to delegate real property authority:

- Financial risk,
- The requesting agency's experience in real estate,
- The requesting agency's experience in construction management,

- Whether the delegation request reflects a thorough understanding of other related statewide requirements (state law, state rules, and other state agency requirements); and
- Compliance with prior real property delegation(s) of authority.
- D. Delegation of <u>real property authority</u> to agencies is only effective when in writing and signed by an authorized representative of DES.

### **Procedures**

 DES Enterprise Procedure No. RES.01.04.P1 Requesting, Issuing, and Monitoring Delegations of Real Property Authority

# Forms/Instructions

Enterprise-wide form: RES.01.04.F1 Delegation Request Form – Acquisition and Disposal of Real Property

Enterprise-wide form: RES.01.04.F2 Delegation Request Form – Acquisition of New Leased Space Enterprise-wide form: RES.01.04.F3 Delegation Request Form – Alterations to Current Leased Space

Enterprise-wide form: RES.01.04.F4 Delegation Request Form – Lease Renewal

## Responsibilities

#### Contract Specialist/Real Estate Services

Manages the intake and distribution of delegation request forms. Tracks the requested forms.

#### Property and Acquisition Specialist/Real Estate Services

Reviews Delegation Request Form and makes a recommendation to RES Operations Manager.

#### Real Estate Operations Manager/Real Estate Services

Recommends approval or denial of delegation request.

#### Director or delegate

Authorizes approval or denial of delegation request.

## History

First effective date: January 12, 2022

Amended: N/A

Need a copy of a prior version of this policy? E-mail <a href="mailto:jack.zeigler@des.wa.gov">jack.zeigler@des.wa.gov</a>