

HOUSE BILL REPORT

SB 5944

As Reported By House Committee On:
Natural Resources

Title: An act relating to management of state-owned aquatic lands.

Brief Description: Describing those lands eligible to be included in a city district aquatic lands management agreement.

Sponsors: Senators Haugen and Snyder.

Brief History:

Committee Activity:

Natural Resources: 3/31/99, 4/2/99 [DP].

Brief Summary of Bill

- Cities are authorized to enter into city aquatic lands management agreements with the Department of Natural Resources.
- Provisions for such management are identical to those provided for port management agreements.

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass. Signed by 8 members: Representatives Buck, Republican Co-Chair; Anderson, Democratic Vice Chair; G. Chandler; Clements; Doumit; Eickmeyer; Ericksen and Pennington.

Minority Report: Do not pass. Signed by 3 members: Representatives Regala, Democratic Co-Chair; Rockefeller and Stensen.

Staff: Carole Richmond (786-7114).

Background:

State-owned aquatic lands are comprised of the bedlands, tidelands, and shorelands of navigable waters and are the lands transferred to the state from the federal government

at statehood. The Department of Natural Resources (DNR) manages over 2 million acres of state-owned aquatic lands. The management of state-owned aquatic lands favors water-dependent uses; that is, those uses which cannot logically exist in any location but on the water, such as ferry terminals, docks, and marinas. Nonwater-dependent uses are a low priority use and mean those uses that can exist in areas other than on the waterfront, such as condominiums and restaurants.

Lease rates are charged for most, but not all uses of state-owned aquatic lands, and vary depending upon the kind of use to be made of the lands. Water-dependent lease rates are charged at one-third of the full market value of the adjacent upland parcel, while nonwater-dependent rates are charged the full market value of adjacent upland parcels. The department is authorized to adjust annual rents paid under leases and must provide by rule for an administrative review of any rent if a lessee requests such a review.

Certain state-owned aquatic lands may be managed by port districts under port management agreements. At the request of a port district, the department and port may enter into an agreement authorizing the port district to manage state-owned aquatic lands abutting or used in conjunction with and contiguous to uplands owned, leased, or otherwise managed by a port district for port purposes. When a port management agreement goes into effect, the port generally assumes the rights and responsibilities of the department. The administration of aquatic lands covered by a management agreement must be consistent with aquatic land policies provided under statute and the rent collected by port districts for the lease of state-owned aquatic lands is retained by the port in the case of water-dependent uses. For nonwater-dependent uses, however, the port pays the state 85 percent of the rent it receives.

Summary of Bill:

Upon request of a city, the department and city may enter into an agreement authorizing the city to manage state-owned aquatic lands for the purpose of operating a publicly owned marina. The provisions for the management of state-owned aquatic lands by a city are the same as the provisions for management by port districts:

- The lands that may be included in such an agreement are those state-owned aquatic lands abutting or used in conjunction with and contiguous to uplands owned, leased, or otherwise managed by a city.
- A city aquatic lands management agreement shall include, but not be limited to provisions defining the specific area to be managed, the term, conditions of occupancy, reservations, periodic review, and other conditions to ensure consistency with the state constitution and other policies of Chapter 79.90 RCW.

- The administration of state-owned aquatic lands covered by a management agreement must be consistent with the aquatic land policies of Chapter 79.90 through 79.96 RCW and the implementing rules adopted by the department.

The rent policies for lands managed under city aquatic lands management agreements are the same as those for port districts; that is, cities retain all of the rent from the lease of aquatic lands for water-dependent uses and retain 15 percent of the rent for nonwater-dependent uses.

The department and the Association of Washington Cities are directed to develop a proposed model management agreement that will be used as the basis for negotiating all city aquatic lands management agreements.

Cities have the final authority for review of any leases for which they are provided responsibility under a city aquatic lands management agreement.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill allows cities to compete with port districts in providing marina services. Port districts have an advantage that is not available to cities. This bill is about equity.

Testimony Against: This bill further breaks up the authority of the Department of Natural Resources over aquatic lands at a time when we face many challenges. This bill provides entirely free rent to cities without providing any benefits for the public. When ports were authorized to enter into these arrangements, they gave up funds from the Harbor Improvement Fund. Cities which are running a deficit will not be helped by this legislation. The department will have less money to fund public access.

Testified: Nick Thompson, city of South Bend; Joe Dusenbury, city of Des Moines; and Paul Silver, Department of Natural Resources.