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**SUBSTITUTE SENATE BILL 5071**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Senate Government Operations & Security (originally sponsored by Senator Honeyford)

AN ACT Relating to resident curators of state properties; adding new sections to chapter 43.19 RCW; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  The legislature finds that other states have successfully implemented resident curator programs that preserve, maintain, and restore historic and other significant state-owned properties by allowing private parties to occupy or use the properties, at no cost or reduced rent, in exchange for the tenant's maintenance, rehabilitation, or restoration of the property.

NEW SECTION. **Sec.**  A new section is added to chapter 43.19 RCW to read as follows:

A state agency with statutory authority to lease state-owned properties to private parties may negotiate a lease at a rate that is less than fair market value in consideration of the lessee's occupancy of the property and agreement to restore, maintain, rehabilitate, or otherwise improve the leased property. Such an agreement must be in writing and must clearly specify the terms of the agreement and the improvements to be made to the property. No improvements to the property may be made without the approval of the leasing agency. If the property is listed, or is eligible to be listed, on the national register of historic places, the Washington heritage register, or a local historic register, the agency must consult with the department of archaeology and historic preservation and all work performed on the property must comply with the federal department of interior standards for rehabilitation of historic properties.

NEW SECTION. **Sec.**  A new section is added to chapter 43.19 RCW to read as follows:

(1) When entering into any agreement under section 2 of this act or otherwise involving the management or occupancy of state-owned properties or a facility by a public or private partner when leased at below market rate value, the agency shall consider, when appropriate:

(a) If the entity has an adequate source of available funding to assume the financial responsibilities of the agreement;

(b) If the entity has sufficient expertise to assume the scope of responsibilities in the agreement;

(c) If the agreement results in net financial benefits to the state from the maintenance and restoration of the property or facility; and

(d) If the agreement results in advancement of the agency's core mission.

(2) Any agreement subject to this section must include specific performance measures. The performance measures must cover, but are not limited to, the entity's ability to manage financial operating costs, to adequately perform management responsibilities, and to address and respond to public concerns. The agreement must provide that failure to meet any performance measure may lead to the termination of the agreement or requirements for remedial action to be taken before the agreement may be extended.

NEW SECTION. **Sec.**  A new section is added to chapter 43.19 RCW to read as follows:

All agencies leasing property pursuant to sections 2 and 3 of this act must provide a report to the legislature at the end of each year listing the following information for each leased property:

(1) Market rate value;

(2) Lease rate; and

(3) Improvements made to the property in the previous calendar year.

**--- END ---**