H-3099.1

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**SUBSTITUTE HOUSE BILL 2491**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** House Transportation (originally sponsored by Representative Fey)

AN ACT Relating to modifying allowable terms for the lease of unused highway land; and amending RCW 47.12.120.

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

**Sec.**  RCW 47.12.120 and 2022 c 59 s 1 are each amended to read as follows:

The department may rent or lease any lands, improvements, or air space above or below any lands that are held for highway purposes but are not presently needed. The rental or lease:

(1) Must be upon such terms and conditions as the department may determine;

(2) Is subject to the provisions and requirements of zoning ordinances of political subdivisions of government;

(3) Includes lands used or to be used for both limited access and conventional highways that otherwise meet the requirements of this section;

(4) In the case of bus shelters provided by a local transit authority that include commercial advertising, may charge the transit authority only for commercial space; ((~~and~~))

(5) In the case of the project for community purposes established in RCW 47.12.380, must be consistent with the provisions of that section; and

(6)(a) In the case of a lease agreement with a public agency or a community-based nonprofit organization using the property to serve community purposes, at the department's discretion, the economic rent due may be offset for the social, environmental, or economic benefits provided by the lessee for community purposes.

(b) A lease agreement under (a) of this subsection must require the lessee to maintain the premises as part of the consideration to the department.

(c) A lease agreement under (a) of this subsection must include:

(i) A requirement that the property shall be used for the designated community purposes; and

(ii) Remedies that apply if the lessee of the property fails to use it for the designated community purposes or ceases to use it for these purposes.

(d) The department must provide an annual report to the transportation committees of the legislature by December 1st of each year with information on the active lease agreements authorized under this subsection, including the community purposes being served and a summary of relevant lease terms.

(e) For the purposes of this subsection (6), "community purposes" means providing one or more of the following for public benefit purposes:

(i) Housing, housing assistance, and related services;

(ii) Parks;

(iii) Enhanced public spaces including, but not limited to, public plazas; or

(iv) Public recreation.

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