

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5853

Chapter 59, Laws of 2022

67th Legislature
2022 Regular Session

DEPARTMENT OF TRANSPORTATION—CERTAIN PROPERTY—LEASING FOR COMMUNITY
PURPOSES

EFFECTIVE DATE: June 9, 2022

Passed by the Senate February 11,
2022

Yeas 49 Nays 0

DENNY HECK

President of the Senate

Passed by the House March 2, 2022

Yeas 70 Nays 26

LURIE JINKINS

**Speaker of the House of
Representatives**

Approved March 11, 2022 10:55 AM

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5853** as passed by the Senate and the House of Representatives on the dates hereon set forth.

SARAH BANNISTER

Secretary

FILED

March 11, 2022

JAY INSLEE

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5853

Passed Legislature - 2022 Regular Session

State of Washington

67th Legislature

2022 Regular Session

By Senate Transportation (originally sponsored by Senators Billig, Liias, Kuderer, Lovick, Saldaña, and C. Wilson)

READ FIRST TIME 02/07/22.

1 AN ACT Relating to establishing a limited project regarding
2 leasing certain department of transportation property in order to
3 remedy past impacts to historically marginalized populations;
4 amending RCW 47.12.120 and 47.12.125; and adding a new section to
5 chapter 47.12 RCW.

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

7 **Sec. 1.** RCW 47.12.120 and 2003 c 198 s 2 are each amended to
8 read as follows:

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

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

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

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

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

1 (5) In the case of the project for community purposes established
2 in section 2 of this act, must be consistent with the provisions of
3 that section.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.12
5 RCW to read as follows:

6 (1) In order to remedy past impacts to historically marginalized
7 populations within impacted local communities resulting from the
8 construction of Interstate 90 and the US 395 North Spokane Corridor
9 project, the department may establish a limited project for community
10 purposes under the provisions of this section. It is the intent of
11 the legislature that the department establish the project to allow
12 the affected property to be used for community purposes made
13 unavailable due to the placement of the highway, and therefore the
14 department is strongly encouraged to establish the project. However,
15 the very limited project under this section shall not be construed as
16 precedent for future lease agreements concerning department property
17 in other areas of the state, and nothing under this section precludes
18 the department from leasing property in other areas of the state for
19 economic rent. Additionally, the legislature finds that the limited
20 project under this section is in the overall public interest based on
21 social, environmental, or economic benefits, as those terms are
22 construed under 23 C.F.R. Sec. 710.403(e).

23 (2)(a) Pursuant to RCW 47.12.120, the department may lease the
24 property described in (b) of this subsection to a community-based
25 nonprofit corporation or the department of commerce, to be used for
26 the following community purposes made unavailable due to the
27 placement of the highway projects described in subsection (1) of this
28 section:

- 29 (i) Housing and ancillary improvements;
- 30 (ii) Parks;
- 31 (iii) Community revitalization projects;
- 32 (iv) Enhanced public spaces, such as trails and public plazas;
- 33 and
- 34 (v) Projects that provide enhanced economic development in the
35 impacted community.

36 (b) The property eligible for lease under this section includes
37 property that was purchased as part of the Interstate 90 corridor
38 project and the US 395 North Spokane Corridor.

1 (c) A lease for the purposes described in (a)(i) and (ii) of this
2 subsection may be for less than economic rent. However, the lease
3 agreement must then require the lessee to maintain the premises as
4 part of the consideration to the department.

5 (d) The parties identified in (a) of this subsection must provide
6 updates, to the extent practicable, to the city of Spokane and the
7 city of Spokane Valley when any significant actions are taken related
8 to the agreements and activities authorized under this section.

9 (3) Any sublease resulting from this section is not intended to
10 generate exorbitant profits.

11 (4) As used in this section, "economic rent" is defined as fair
12 market rent, as established by an appraisal or other accepted
13 valuation method.

14 **Sec. 3.** RCW 47.12.125 and 1999 c 94 s 15 are each amended to
15 read as follows:

16 All moneys paid to the state of Washington under any of the
17 provisions of RCW 47.12.120 shall be deposited in the department's
18 advance right-of-way revolving fund, except moneys that are subject
19 to federal aid reimbursement and moneys received from rental of
20 capital facilities properties, which shall be deposited in the motor
21 vehicle fund. However, moneys paid under RCW 47.12.120(5) shall be
22 deposited into the motor vehicle fund to be used solely within the
23 corridors described in section 2(2)(b) of this act.

Passed by the Senate February 11, 2022.

Passed by the House March 2, 2022.

Approved by the Governor March 11, 2022.

Filed in Office of Secretary of State March 11, 2022.

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