
SUBSTITUTE SENATE BILL 5725

State of Washington

69th Legislature

2025 Regular Session

By Senate Housing (originally sponsored by Senators Slatter, Hasegawa, Trudeau, and Valdez)

READ FIRST TIME 02/21/25.

1 AN ACT Relating to expanding affordable housing opportunities on
2 community and technical college lands; amending RCW 28B.50.090 and
3 43.17.400; adding a new section to chapter 28B.50 RCW; adding a new
4 section to chapter 82.29A RCW; and creating new sections.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the lack of
7 housing and housing affordability affects every community in
8 Washington. The legislature also finds that increased housing
9 instability is overwhelmingly caused by rising rents, which are
10 exacerbated by very low vacancy rates, making it difficult for people
11 to find housing even when they have sufficient income to pay market
12 rates. Low housing vacancies, population growth, and limited housing
13 supply have created a housing shortage in which existing inventory is
14 priced at a premium.

15 The legislature also finds that although household incomes have
16 grown along with the economy, wage increases, especially for those in
17 public service, frontline work, and education, have not kept pace
18 with rising rents and home prices. This problem is especially
19 impacting moderate, lower, and fixed-income households, including
20 frontline workers, public employees, educators, students, seniors,
21 veterans, farmworkers, and people with disabilities. These households

1 face increasing barriers to securing stable housing near their
2 workplaces and schools, forcing many to commute long distances or
3 relocate entirely.

4 The legislature recognizes that housing instability among public
5 sector employees and frontline workers directly affects the quality
6 and continuity of essential services, including education, health
7 care, and emergency response. Additionally, high housing costs have
8 made it difficult for state institutions of higher education to
9 attract and retain faculty and staff, contributing to turnover that
10 disrupts student learning and creates inefficiencies in recruitment,
11 hiring, and training.

12 The legislature finds that ensuring access to stable, affordable
13 housing for employees, faculty, and students is critical to the
14 success of schools, public institutions, and local economies.

15 Therefore, it is the intent of the legislature to increase the
16 supply of housing and expand affordable housing opportunities for
17 Washington's workforce, including public employees, frontline
18 workers, and educational faculty, staff, and students, by removing
19 barriers and encouraging the development of affordable housing on
20 underutilized land at community and technical colleges across
21 Washington, ensuring that those who contribute to the vitality of
22 their communities have the opportunity to live within them.

23 **Sec. 2.** RCW 28B.50.090 and 2013 c 57 s 1 are each amended to
24 read as follows:

25 The college board shall have general supervision and control over
26 the state system of community and technical colleges. In addition to
27 the other powers and duties imposed upon the college board by this
28 chapter, the college board shall be charged with the following
29 powers, duties and responsibilities:

30 (1) Review the budgets prepared by the boards of trustees,
31 prepare a single budget for the support of the state system of
32 community and technical colleges and adult education, and submit this
33 budget to the governor as provided in RCW 43.88.090;

34 (2) Establish guidelines for the disbursement of funds; and
35 receive and disburse such funds for adult education and maintenance
36 and operation and capital support of the college districts in
37 conformance with the state and district budgets, and in conformance
38 with chapter 43.88 RCW;

39 (3) Ensure, through the full use of its authority:

1 (a) That each college district, in coordination with colleges,
2 within a regional area, shall offer thoroughly comprehensive
3 educational, training, and service programs to meet the needs of both
4 the communities and students served by combining high standards of
5 excellence in academic transfer courses; realistic and practical
6 courses in occupational education, both graded and ungraded; and
7 community services of an educational, cultural, and recreational
8 nature; and adult education, including basic skills and general,
9 family, and workforce literacy programs and services;

10 (b) That each college district shall maintain an open-door
11 policy, to the end that no student will be denied admission because
12 of the location of the student's residence or because of the
13 student's educational background or ability; that, insofar as is
14 practical in the judgment of the college board, curriculum offerings
15 will be provided to meet the educational and training needs of the
16 community generally and the students thereof; and that all students,
17 regardless of their differing courses of study, will be considered,
18 known and recognized equally as members of the student body:
19 PROVIDED, That the administrative officers of a community or
20 technical college may deny admission to a prospective student or
21 attendance to an enrolled student if, in their judgment, the student
22 would not be competent to profit from the curriculum offerings of the
23 college, or would, by his or her presence or conduct, create a
24 disruptive atmosphere within the college not consistent with the
25 purposes of the institution. This subsection (3)(b) shall not apply
26 to competency, conduct, or presence associated with a disability in a
27 person twenty-one years of age or younger attending a technical
28 college;

29 (4) Prepare a comprehensive master plan for the development of
30 community and technical college education and training in the state;
31 and assist the office of financial management in the preparation of
32 enrollment projections to support plans for providing adequate
33 college facilities in all areas of the state. (~~The master plan shall
34 include implementation of the vision, goals, priorities, and
35 strategies in the statewide strategic master plan for higher
36 education under RCW 28B.76.200 based on the community and technical
37 college system's role and mission.~~) The master plan shall also
38 contain measurable performance indicators and benchmarks for gauging
39 progress toward achieving the goals and priorities;

1 (5) Define and administer criteria and guidelines for the
2 establishment of new community and technical colleges or campuses
3 within the existing districts;

4 (6) Establish criteria and procedures for modifying district
5 boundary lines and consolidating district structures to form multiple
6 campus districts consistent with the purposes set forth in RCW
7 28B.50.020 as now or hereafter amended and in accordance therewith
8 make such changes as it deems advisable;

9 (7) Establish minimum standards to govern the operation of the
10 community and technical colleges with respect to:

11 (a) Qualifications and credentials of instructional and key
12 administrative personnel, except as otherwise provided in the state
13 plan for vocational education;

14 (b) Internal budgeting, accounting, auditing, and financial
15 procedures as necessary to supplement the general requirements
16 prescribed pursuant to chapter 43.88 RCW;

17 (c) The content of the curriculums and other educational and
18 training programs, and the requirement for degrees and certificates
19 awarded by the colleges;

20 (d) Standard admission policies;

21 (e) Eligibility of courses to receive state fund support; and

22 (f) Common student identifiers such that once a student has
23 enrolled at any community or technical college he or she retains the
24 same student identification upon transfer to any college district;

25 (8) Encourage colleges to use multiple measures to determine
26 whether a student must enroll in a precollege course including, but
27 not limited to, placement tests, the SAT, high school transcripts,
28 college transcripts, or initial class performance, and require
29 colleges to post all the available options for course placement on
30 their website and in their admissions materials;

31 (9) Establish and administer criteria and procedures for all
32 capital construction including the establishment, installation, and
33 expansion of facilities within the various college districts;

34 (10) Encourage innovation in the development of new educational
35 and training programs and instructional methods; coordinate research
36 efforts to this end; and disseminate the findings thereof;

37 (11) Exercise any other powers, duties and responsibilities
38 necessary to carry out the purposes of this chapter;

39 (12) Authorize the various community and technical colleges to
40 offer programs and courses in other districts when it determines that

1 such action is consistent with the purposes set forth in RCW
2 28B.50.020 as now or hereafter amended;

3 (13) Notwithstanding any other law or statute regarding the sale
4 of state property(~~(, sell)~~):

5 (a) Sell or exchange and convey any or all interest in any
6 community and technical college real and personal property, except
7 such property as is received by a college district in accordance with
8 RCW 28B.50.140(8), when it determines that such property is surplus
9 or that such a sale or exchange is in the best interests of the
10 community and technical college system; or

11 (b) Sell, exchange, lease, transfer, assign, pledge, grant, or
12 dispose of any or all interest in any community and technical college
13 real or personal property at less than fair market value to a
14 governmental entity for a public purpose, such as affordable housing,
15 or to a nonprofit corporation provided the nonprofit corporation
16 agrees to use the property for the provision of affordable housing,
17 or another community purpose for at least 50 years;

18 (14) In order that the treasurer for the state board for
19 community and technical colleges appointed in accordance with RCW
20 28B.50.085 may make vendor payments, the state treasurer will honor
21 warrants drawn by the state board providing for an initial advance on
22 July 1, 1982, of the current biennium and on July 1st of each
23 succeeding biennium from the state general fund in an amount equal to
24 twenty-four percent of the average monthly allotment for such
25 budgeted biennium expenditures for the state board for community and
26 technical colleges as certified by the office of financial
27 management; and at the conclusion of such initial month and for each
28 succeeding month of any biennium, the state treasurer will reimburse
29 expenditures incurred and reported monthly by the state board
30 treasurer in accordance with chapter 43.88 RCW: PROVIDED, That the
31 reimbursement to the state board for actual expenditures incurred in
32 the final month of each biennium shall be less the initial advance
33 made in such biennium;

34 (15) Notwithstanding the provisions of subsection (13) of this
35 section, may receive such gifts, grants, conveyances, devises, and
36 bequests of real or personal property from private sources as may be
37 made from time to time, in trust or otherwise, whenever the terms and
38 conditions thereof will aid in carrying out the community and
39 technical college programs and may sell, lease or exchange, invest or
40 expend the same or the proceeds, rents, profits and income thereof

1 according to the terms and conditions thereof; and adopt regulations
2 to govern the receipt and expenditure of the proceeds, rents, profits
3 and income thereof; and

4 (16) The college board shall have the power of eminent domain.

5 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.50
6 RCW to read as follows:

7 (1) The college board is authorized to enter into long-term
8 leases for at least 50 years to enable the development of affordable
9 housing on underutilized community and technical college land,
10 consistent with RCW 39.33.015. Community and technical colleges may
11 pledge or grant land used for affordable housing as security for
12 loans to support additional affordable housing projects on
13 underutilized community and technical college land.

14 (2) Any land leased by the college board for affordable housing
15 under this section must include restrictive covenants to prevent
16 conversion to uses other than affordable housing for the duration of
17 the lease, including remedies if the lessor fails to use the property
18 for the designated public purpose or ceases to use it for such
19 purpose.

20 (3) If a project fails to secure financing or does not commence
21 construction within four years of lease approval, or if the recipient
22 of the property fails or ceases to use it for the designated public
23 purpose during the lease period, the lease shall terminate and the
24 property shall revert back to the college board without limitation.

25 (4)(a) Community and technical colleges may allow affordable
26 housing projects on leased college board property to:

27 (i) Share general parking unless code required for minimum
28 parking requirements are no longer achieved by the college;

29 (ii) Utilize college roads to access affordable housing
30 facilities; and

31 (iii) Connect to site utilities.

32 (b) A community and technical college may charge the affordable
33 housing project and tenants reasonable fees for use of college
34 facilities and services.

35 (5) The college board may enter into leaseback agreements with
36 nonprofit developers to ensure access to newly developed housing
37 facilities.

38 (6) If the college board sells underutilized community and
39 technical college property for affordable housing pursuant to this

1 section, and finds during the term of any affordable housing covenant
2 that the property is not compliant or is no longer used for its
3 restricted purpose, the college board can proceed to:

4 (a) Enforce the covenant provision; or

5 (b) Declare the property in default and shall have the right of
6 first refusal to repurchase the property for the original sale price,
7 minus any costs of enforcing the covenant if the property is no
8 longer used for affordable housing.

9 **Sec. 4.** RCW 43.17.400 and 2018 c 217 s 2 are each amended to
10 read as follows:

11 (1) Before any state agency may dispose of surplus state-owned
12 real property to a private or any nongovernmental party, the agency
13 must provide written notice to the following governmental entities at
14 least sixty days before entering into any proposed disposition
15 agreement:

16 (a) All other state agencies;

17 (b) Each federal agency operating within the state; and

18 (c) The governing authority of each county, city, town, special
19 purpose district, and federally recognized Indian tribe in which the
20 land is located.

21 (2) The state agency must dispose of the property, for continued
22 public benefit as defined in RCW 39.33.015, to any governmental
23 entity responding within the notification period, upon mutual
24 agreement reached within a reasonable time period after the response
25 is received. Priority must be given to state agencies. The
26 disposition may be for any terms and conditions agreed upon by the
27 proper authorities of each party, in accordance with RCW 39.33.010,
28 except where the disposition at fair market value is required by law.

29 (3) The requirements of this section are in addition and
30 supplemental to other requirements of the laws of this state.

31 (4) For purposes of this section, "disposition" means the sale,
32 exchange, or other action resulting in a transfer of ownership.

33 (5) The requirements of this section do not apply to ~~(the)~~:

34 (a) The department of transportation; or

35 (b) A community or technical college providing affordable housing
36 under section 3 of this act.

37 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.29A
38 RCW to read as follows:

1 (1) All leasehold interests in underutilized community and
2 technical college land are exempt from tax under this chapter, for
3 the duration of the lease in accordance with section 3 of this act,
4 when used for the placement of affordable housing under the following
5 conditions:

6 (a) A lessee must commit to renting or selling 100 percent of the
7 units as affordable for low-income and moderate-income households
8 during the lease term; and

9 (b) The term of the lease is at least 99 years.

10 (2) Affordable housing for low-income households must be
11 prioritized by the community and technical colleges and the lessee
12 when receiving the exemption under this section.

13 (3) For purposes of this section, "affordable housing," "low-
14 income household," and "moderate-income household" have the same
15 meaning as defined in RCW 84.14.010.

16 NEW SECTION. **Sec. 6.** (1) This section is the tax preference
17 performance statement for the tax preference contained in section 5,
18 chapter . . . , Laws of 2025 (section 5 of this act). This performance
19 statement is only intended to be used for subsequent evaluation of
20 the tax preference. It is not intended to create a private right of
21 action by any party or be used to determine eligibility for
22 preferential tax treatment.

23 (2) The legislature categorizes these tax preferences as ones
24 intended to induce certain designated behavior by taxpayers, as
25 indicated in RCW 82.32.808(2) (a).

26 (3) It is the legislature's specific public policy objective to
27 incentivize the placement of affordable housing on underutilized
28 community and technical college land.

29 (4) If a review by the joint legislative audit and review
30 committee finds that the number of affordable housing units placed on
31 underutilized community and technical college land increased
32 following the enactment of this tax preference, the legislature
33 intends to extend the expiration date of the tax preference.

34 (5) In order to obtain the data necessary to perform the review
35 in subsection (4) of this section, the joint legislative audit and
36 review committee may refer to the number of new leasehold agreements
37 on underutilized community and technical college land for the
38 purposes of affordable housing.

1 NEW SECTION. **Sec. 7.** RCW 82.32.805 does not apply to this act.

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