

WAC 468-30-060 Rental of state highway lands and improvements.

(1) All improved property acquired by the department of transportation for future transportation purposes may be rented to the occupying owner or tenant (initial displacee) for a period of up to ninety days. If the improvement is deemed unrentable or does not meet DS & S standards, there are no further rentals. The improvement is then scheduled for sale and removal or demolition. Other improvements may be rented to subsequent tenants on a month-to-month basis until the property is required by pending construction. In no event shall the property be rented to the original displacee beyond the initial ninety day period unless there are extenuating circumstances and prior written approval of the chief right of way agent.

(2) Leases and rental agreements in furtherance of the policy set forth in subsection (1) of this section and pursuant to authority contained in chapter 162, Laws of 1949, shall be negotiated by the land management branch of the department of transportation where directed by the secretary of transportation. Said division shall prepare all necessary documents to accomplish such leases and shall submit same to the secretary for action thereon as indicated in subsection (4) of this section.

(3) The rental rates are based on the following:

(a) The rental rate is economic rent as determined by either a market data report of rentals or a written determination by appraisal.

(b) For those rentals subject to excise tax under the provisions of chapter 82.29A RCW, the tax is payable in addition to the determined rental rate.

(c) The rental rate is evaluated as economic conditions require, but no more often than once per year.

(d) Where the acquired improvement is tenant occupied, the rental rate in effect at the time of acquisition shall continue for ninety days. Thereafter the rental rate shall be economic rent. Should the tenant be paying more than economic rent, the rent is to be immediately lowered to economic rent.

(e) The rent for the first month (pay period) is calculated and adjusted to the next closest first or fifteenth day. This adjusted rent and the last month's (pay period) rent are payable upon execution of the rental agreement.

(4) Authority to approve rental agreements:

(a) All rental agreements in which the rental rate equals or exceeds the "minimum standard rental rates" of the applicable provisions of subsection (3) of this section may be approved by the secretary of transportation or his designee.

(b) The following described agreements (i) and (ii) will not be considered under the provisions of subsection (3) of this section and may be approved by the secretary of transportation.

(i) Interim possession agreements—Interim agreements will give possession to a prospective air space lessee during the period prior to the formalization and approval of an air space lease. The agreements will provide interim rental at a negotiated figure and will be terminable on thirty days' notice.

(ii) Mutual benefits possession agreements—Mutual benefits possession agreements will involve those properties where the benefits to the state will equal those derived by the lessee and will be terminable on thirty days' notice. The value of mutual benefit will be determined by the secretary or his designee.

(5) Leases and rental agreements shall be subject to termination on a maximum of sixty days' written notice, provided, that the secretary or his designee may approve time extensions in specific cases.

[Statutory Authority: RCW 47.12.120 and 47.01.101(5). WSR 86-18-039 (Order 104), § 468-30-060, filed 8/28/86. Statutory Authority: RCW 47.12.120. WSR 83-19-012 (Order 82), § 468-30-060, filed 9/12/83. Statutory Authority: 1977 ex.s. c 151. WSR 79-01-033 (DOT Order 10 and Comm. Order 1, Resolution No. 13), § 468-30-060, filed 12/20/78. Formerly WAC 252-12-050.]