

Chapter 43.166 RCW
STATE LANDS DEVELOPMENT AUTHORITIES

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RCW 43.166.010 Authorization—Formation. (1) State lands development authorities are hereby authorized to oversee and manage the development or redevelopment of state-owned property that is within or adjacent to manufacturing industrial centers. Any property owned or managed by the department of natural resources is exempt from the provisions of this chapter.

(2) The legislative delegation from a district containing state-owned land that is included within, or is adjacent to, a manufacturing industrial center may propose the formation of a state lands development authority. The proposal must be presented in writing to the relevant legislative committees in both the house of representatives and the senate. The proposal must contain:

(a) The proposed general geographic boundaries of the state lands development authority; and

(b) Legislative findings relating to formation of the state lands development authority which find that:

(i) The state owns property within the boundaries of the proposed state lands development authority;

(ii) The state-owned land is located within or adjacent to a manufacturing industrial center;

(iii) The state agency with custodial responsibility for the property has completed an assessment regarding the current use, future use, and a projected date or conditions when the land is vacant, excess, or surplus to the mission of the state agency;

(iv) The legislature intends that the state lands development authority be appropriately funded and staffed; and

(v) The formation of a state lands development authority to oversee and manage the development or redevelopment of the state-owned land will be useful and beneficial to the community within and adjacent to the boundaries of the state lands development authority.

(3) Formation of a state lands development authority is subject to legislative authorization by statute.

(4) A state lands development authority may only be formed in a county with a population of 2,000,000 or greater.

(5) For the purposes of this chapter, all state lands development authorities are a public body corporate and politic and instrumentality of the state of Washington. [2022 c 259 s 1.]

RCW 43.166.020 Board of directors. (1) The affairs of a state lands development authority shall be managed by a board of directors.

(2) The initial board of directors of a state lands development authority must be appointed by the governor upon recommendation from the state legislative delegation from the district in which the boundaries of the state lands development authority are contained.

(3) The number of persons on the board of directors must be included in the proposal to establish a state lands development authority under RCW 43.166.010.

(4) Members of the board of directors must include:

(a) At least one member representing each of the following:

(i) The governing body of each city included in the boundaries of the state lands development authority;

(ii) The mayor's office of each city included in the boundaries of the state lands development authority;

(iii) The governing body of each county included in the boundaries of the state lands development authority; and

(iv) The governing body of each port district included in the boundaries of the state lands development authority;

(b) Additional members if required by the proposal to establish a state lands development authority under RCW 43.166.010; and

(c) Ex officio, nonvoting members if required by the proposal to establish a state lands development authority under RCW 43.166.010.

(5) In addition to other applicable provisions of law pertaining to conflicts of interest of public officials, no state lands development authority board member, appointed or otherwise, may participate in any decision on any board contract in which the board member has any interests, direct or indirect, with any firm, partnership, corporation, or association that would be the recipient of any gain or benefit resulting from transactions with the state lands development authority. In any instance where the participation occurs, the board shall void the transaction, and the involved member shall be subject to whatever sanctions may be provided by law. The board shall frame and adopt a code of ethics for its members, which must be designed to protect the state and its citizens from any unethical conduct by the board. [2022 c 259 s 2.]

RCW 43.166.030 Powers. (Effective until January 1, 2026.) (1)

State lands development authorities have the power to:

(a) Accept gifts, grants, loans, or other aid from public and private entities;

(b) Employ and appoint such agents, attorneys, officers, and employees as may be necessary to implement its purposes and duties;

(c) Contract and enter into partnerships with individuals, associations, corporations, and local, state, and federal governments;

(d) Buy, own, and lease real and personal property;

(e) Sell real and personal property, subject to any rules and restrictions contained in the proposal to establish a state lands development authority under RCW 43.166.010;

(f) Hold in trust, improve, and develop land;

(g) Invest, deposit, and reinvest its funds;

(h) Incur debt in furtherance of its mission: Provided, however, that state lands development authorities are expressly prohibited from incurring debt on behalf of the state of Washington as defined in Article VIII, section 1 of the state Constitution. A state lands development authority obligation to repay borrowed money does not constitute an obligation, either general, special, or moral, of the state of Washington. State lands development authorities are expressly

prohibited from using, either directly or indirectly, "general state revenues" as defined in Article VIII, section 1 of the state Constitution to satisfy any state lands development authority obligation to repay borrowed money;

(i) Lend or grant its funds for any lawful purposes. For purposes of this section, "lawful purposes" includes without limitation, any use of funds, including loans thereof to public or private parties, authorized by agreements with the United States or any department or agency thereof under which federal or private funds are obtained, or authorized under federal laws and regulations pertinent to such agreements; and

(j) Exercise such additional powers as may be authorized by law.

(2) A state lands development authority that accepts public funds under subsection (1)(a) of this section:

(a) Is subject in all respects to Article VIII, section 5 or 7, as appropriate, of the state Constitution, and RCW 42.17A.550; and

(b) May not use such funds to support or oppose a candidate, ballot proposition, political party, or political committee.

(3) State lands development authorities do not have any authority to levy taxes or assessments. [2022 c 259 s 3.]

RCW 43.166.030 Powers. (Effective January 1, 2026.) (1) State lands development authorities have the power to:

(a) Accept gifts, grants, loans, or other aid from public and private entities;

(b) Employ and appoint such agents, attorneys, officers, and employees as may be necessary to implement its purposes and duties;

(c) Contract and enter into partnerships with individuals, associations, corporations, and local, state, and federal governments;

(d) Buy, own, and lease real and personal property;

(e) Sell real and personal property, subject to any rules and restrictions contained in the proposal to establish a state lands development authority under RCW 43.166.010;

(f) Hold in trust, improve, and develop land;

(g) Invest, deposit, and reinvest its funds;

(h) Incur debt in furtherance of its mission: Provided, however, that state lands development authorities are expressly prohibited from incurring debt on behalf of the state of Washington as defined in Article VIII, section 1 of the state Constitution. A state lands development authority obligation to repay borrowed money does not constitute an obligation, either general, special, or moral, of the state of Washington. State lands development authorities are expressly prohibited from using, either directly or indirectly, "general state revenues" as defined in Article VIII, section 1 of the state Constitution to satisfy any state lands development authority obligation to repay borrowed money;

(i) Lend or grant its funds for any lawful purposes. For purposes of this section, "lawful purposes" includes without limitation, any use of funds, including loans thereof to public or private parties, authorized by agreements with the United States or any department or agency thereof under which federal or private funds are obtained, or authorized under federal laws and regulations pertinent to such agreements; and

(j) Exercise such additional powers as may be authorized by law.

(2) A state lands development authority that accepts public funds under subsection (1)(a) of this section:

(a) Is subject in all respects to Article VIII, section 5 or 7, as appropriate, of the state Constitution, and RCW 29B.40.250; and

(b) May not use such funds to support or oppose a candidate, ballot proposition, political party, or political committee.

(3) State lands development authorities do not have any authority to levy taxes or assessments. [2024 c 164 s 525; 2022 c 259 s 3.]

Intent—Construction—Rules remain valid—Effective date—2024 c 164: See notes following RCW 29B.10.010.

RCW 43.166.040 Duties. A state lands development authority has the duty to:

(1) Adopt bylaws for the authority that will govern how the authority will generally conduct its affairs;

(2) Establish specific geographic boundaries for the authority with its bylaws based on the general geographic boundaries established in the proposal approved by the legislature;

(3) Assume responsibility for the development or redevelopment of the state-owned property within the boundaries of the authority;

(4) Create a strategic plan for the development or redevelopment of the state-owned property that includes, but is not limited to, the following elements:

(a) An examination of the existing uses of the property and an assessment of whether such should change in the future in order for the use of the property to achieve maximum public benefit;

(b) An examination of options for development or redevelopment that include industrial uses only, mixed-use commercial and residential development, and mixed-use light industrial and residential development, as well as the incorporation of community-oriented facilities, and an evaluation of which options would achieve maximum public benefit;

(c) A plan for extensive public engagement throughout the development or redevelopment process, which must include a regular schedule of public meetings and opportunities for public comment; and

(d) A financial plan for the authority that identifies funding sources necessary to carry out the authority's strategic plan;

(5) Use gifts, grants, loans, and other aid from public or private entities to further the development and redevelopment projects identified in the authority's strategic plan; and

(6) Submit a written report to the relevant committees of the legislature by December 1st of each even-numbered year that summarizes the authority's strategic plan and details the progress of the authority in meeting its strategic goals related to development and redevelopment, public engagement, and financial planning. [2022 c 259 s 4.]

RCW 43.166.050 State lands development authority operating account. The state lands development authority operating account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for operating expenses under this chapter. [2022 c 259 s 5.]

RCW 43.166.060 State lands development authority capital account. The state lands development authority capital account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for capital projects under this chapter. [2022 c 259 s 6.]

RCW 43.166.800 Ballard—Interbay state lands development authority—Authorization. (1) The legislature finds:

(a) The state of Washington owns a property of approximately 25 acres in size located at 1601 West Armory Way within Seattle's Ballard-Interbay northend manufacturing industrial center and Interbay neighborhood, known as the Interbay property. The Interbay property was transferred to the state of Washington in 1971 with deed limitations which limit use of the property for national guard purposes only. The national guard currently uses the Interbay property for the Seattle readiness center, built in 1974. The national guard has determined that it must relocate from the Interbay property to another site, and an assessment has been completed pursuant to RCW 43.166.010(2)(b). Once the national guard facilities are funded and constructed and the national guard is relocated in a new, fully operational readiness center, and the department of defense has released its use restrictions on the property, the Interbay property will be available for redevelopment.

(b) The formation of a state lands development authority to oversee and manage the redevelopment of the Interbay property will be useful and beneficial to the community within and adjacent to the Interbay neighborhood in the city of Seattle. The legislature intends that the authority be appropriately funded and staffed.

(2)(a) The legislature authorizes the establishment of the Ballard-Interbay state lands development authority, which boundaries are coextensive with the boundaries of the Interbay property.

(b) The Ballard-Interbay state lands development authority is a public body corporate and politic and instrumentality of the state of Washington.

(3) The Ballard-Interbay state lands development authority may exercise its authority in furtherance of projects that are located only within the boundaries of the Interbay property.

(4) The Ballard-Interbay state lands development authority does not have site control or access until after the national guard relocation and may not sell the Interbay property or portions of the Interbay property to another entity.

(5) The affairs of the Ballard-Interbay state lands development authority shall be managed by a board of directors, consisting of the following members:

(a) One member with experience developing workforce or affordable housing;

(b) One member with knowledge of project financing options for public-private partnerships related to housing;

(c) Two members with architectural design and development experience related to industrial and mixed-use zoning;

(d) One member representing the port of Seattle;

(e) One member representing the governor's office;

(f) One member representing the King county council;

(g) One member representing the city of Seattle mayor's office;

(h) One member representing the Seattle city council; and

(i) The director of the department of commerce or the director's designee as an ex officio, nonvoting member.

(6) No member of the board of directors may hold office for more than four years. Board positions must be numbered one through 11 and the terms staggered as follows:

(a) Board members appointed to positions one through five shall serve two-year terms, and if reappointed, may serve no more than one additional two-year term.

(b) Board members initially appointed to positions six through 11 shall serve a three-year term only.

(c) Board members appointed to positions six through 11 after the initial three-year term shall serve two-year terms, and if reappointed, may serve no more than one additional two-year term.

(7) The initial board of directors of the Ballard-Interbay state lands development authority must be appointed by the governor upon recommendation from the legislative delegation from the district in which the boundaries of the authority are contained, as required by RCW 43.166.020(2). With respect to the appointment of subsequent boards of directors, the existing board members must develop a list of candidates for each position and deliver the recommendations to the members of the legislative delegation for the district in which the authority is located. The legislative delegation must present the list of candidates for recommendation to the governor for appointment to the board of directors. In developing the list of candidates, the board of directors must consider racial, gender, and geographic diversity so that the board may reflect the diversity of the community.

(8) In addition to other applicable provisions of law pertaining to conflicts of interest of public officials, no Ballard-Interbay state lands development authority board member, appointive or otherwise, may participate in any decision on any board contract in which the board member has any interests, direct or indirect, with any firm, partnership, corporation, or association that would be the recipient of any gain or benefit resulting from transactions with the state lands development authority. In any instance where the participation occurs, the board shall void the transaction, and the involved member must be subject to whatever sanctions may be provided by law. The board shall frame and adopt a code of ethics for its members, which must be designed to protect the state and its citizens from any unethical conduct by the board.

(9) For purposes of this section, "Interbay property" means a state-owned property with deed limitations indicating it may be used for national guard purposes only located at 1601 West Armory Way, consisting of approximately 25 acres of land within Seattle's Ballard-Interbay northend manufacturing industrial center and Interbay neighborhood. [2022 c 259 s 7.]