
HOUSE BILL 1173

State of Washington

67th Legislature

2021 Regular Session

By Representatives Berry and Frame

1 AN ACT Relating to state lands development authorities; and
2 adding a new chapter to Title 43 RCW.

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

4 NEW SECTION. **Sec. 1.** (1) State lands development authorities
5 are hereby authorized to oversee and manage the development or
6 redevelopment of state-owned property that is within or adjacent to
7 manufacturing industrial centers.

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

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

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

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

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

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

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

7 NEW SECTION. **Sec. 2.** (1) The affairs of a state lands
8 development authority shall be managed by a board of directors.

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

13 (3) The number of persons on the board of directors and how such
14 persons are selected and replaced, after the initial appointments to
15 the board are made under subsection (2) of this section, must be
16 included in the proposal to establish a state lands development
17 authority under section 1 of this act.

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

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

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

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

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

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

28 (b) Additional members if required by the proposal to establish a
29 state lands development authority under section 1 of this act; and

30 (c) Ex officio, nonvoting members if required by the proposal to
31 establish a state lands development authority under section 1 of this
32 act.

33 NEW SECTION. **Sec. 3.** (1) State lands development authorities
34 have the power to:

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

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

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

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

5 (e) Sell real and personal property, subject to any rules and
6 restrictions contained in the proposal to establish a state lands
7 development authority under section 1 of this act;

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

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

10 (h) Incur debt in furtherance of its mission;

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

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

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

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

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

25 NEW SECTION. **Sec. 4.** A state lands development authority has
26 the duty to:

27 (1) Adopt bylaws for the authority that will govern how the
28 authority will generally conduct its affairs and how members of the
29 board of directors are elected;

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

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

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

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

4 (b) An examination of options for development or redevelopment
5 that include industrial uses only, mixed-use commercial and
6 residential development, and mixed-use light industrial and
7 residential development and an evaluation of which options would
8 achieve maximum public benefit;

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

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

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

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

22 NEW SECTION. **Sec. 5.** The state lands development authority
23 account is created in the state treasury for use if the legislature
24 provides state funds for authority purposes. The account is composed
25 of two subaccounts, one for moneys to be appropriated for operating
26 purposes and the other for moneys to be appropriated for capital
27 purposes. Moneys in the account may be spent only after
28 appropriation. Expenditures from the account may be used only for
29 projects under this chapter.

30 NEW SECTION. **Sec. 6.** (1) The legislature finds:

31 (a) The state of Washington owns a property of approximately 25
32 acres in size located at 1601 West Armory Way within Seattle's
33 Ballard-Interbay northend manufacturing industrial center, known as
34 the Interbay property. The national guard currently uses the Interbay
35 property for the Seattle readiness center, built in 1974. The
36 national guard has determined that it must relocate from the Interbay
37 property to another site. Once the national guard is relocated in a

1 new, fully operational readiness center, the Interbay property will
2 be available for redevelopment.

3 (b) The formation of a state lands development authority to
4 oversee and manage the redevelopment of the Interbay property will be
5 useful and beneficial to the community within and adjacent to the
6 Interbay neighborhood in the city of Seattle.

7 (2) The legislature authorizes the establishment of the Ballard-
8 Interbay state lands development authority, which boundaries are
9 those contained in the Interbay neighborhood within the city of
10 Seattle.

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

14 (4) The Ballard-Interbay state lands development authority may
15 not sell the Interbay property or portions of the Interbay property
16 to another entity.

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

20 (a) Two members with experience developing workforce or
21 affordable housing;

22 (b) Two members with project financing options for public-private
23 partnerships related to housing;

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

26 (d) One member representing the port of Seattle;

27 (e) One member representing the national guard;

28 (f) One member representing the King county council;

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

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

31 (i) Two members of the thirty-sixth legislative district
32 delegation.

33 (6) No member of the board of directors may hold office for more
34 than four years. Board positions must be numbered one through 13 and
35 the terms staggered as follows:

36 (a) Board members elected to positions one through five shall
37 serve two-year terms, and if reelected, may serve no more than one
38 additional two-year term.

39 (b) Board members initially elected to positions six through 13
40 shall serve a three-year term only.

1 (c) Board members elected to positions six through 13 after the
2 initial three-year term shall serve two-year terms, and if reelected,
3 may serve no more than one additional two-year term.

4 (7) The initial board of directors of the Ballard-Interbay state
5 lands development authority must be appointed by the legislative
6 delegation from the district in which the boundaries of the authority
7 are contained, as required by section 2(2) of this act. With respect
8 to the election of subsequent boards of directors, the existing board
9 members must develop a list of candidates for each position and the
10 election must be held at a regular meeting of the authority in
11 accordance with the authority's bylaws.

12 (8) For purposes of this section, "Interbay property" means a
13 state-owned property located at 1601 West Armory Way, consisting of
14 approximately 25 acres of land within Seattle's Ballard-Interbay
15 northend manufacturing industrial center.

16 NEW SECTION. **Sec. 7.** Sections 1 through 6 of this act
17 constitute a new chapter in Title 43 RCW.

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