

HOUSE BILL REPORT

HB 1330

As Passed House:

February 24, 1999

Title: An act relating to concessions or leases in state parks and parkways.

Brief Description: Granting concessions or leases in state parks and parkways.

Sponsors: Representatives Alexander, Sump, Buck, Regala, Anderson, Lantz, Doumit, G. Chandler, Pennington, Rockefeller, Benson and Mulliken; by request of Parks and Recreation Commission.

Brief History:

Committee Activity:

Natural Resources: 2/2/99, 2/12/99 [DP].

Floor Activity:

Passed House: 2/24/99, 98-0.

Brief Summary of Bill

- Allows the State Parks and Recreation Commission to enter into leases and concessions of 50 years in duration.

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass. Signed by 12 members: Representatives Buck, Republican Co-Chair; Regala, Democratic Co-Chair; Anderson, Democratic Vice Chair; Sump, Republican Vice Chair; G. Chandler; Clements; Doumit; Eickmeyer; Ericksen; Pennington; Rockefeller and Stensen.

Staff: Josh Weiss (786-7129).

Background:

The State Parks and Recreation Commission is allowed to enter into leases and concessions in state parks. There are currently about 100 leases and concessions in state parks, which generate approximately \$500,000 a year. Most of these agreements are leases for campgrounds, and food and beverage concessions. However, the three most

profitable agreements are for Tillicum Village, a Native American cultural attraction, the Sun Lakes golf course and campground, and the Mount Spokane downhill ski area.

Leases and concession agreements may be no longer than 40 years in duration. Any lease or concession which has a duration of more than 20 years must be approved by a unanimous vote of the commission. The rates of all leases and concessions are renegotiated at five-year intervals.

A longer agreement term would enable the commission to attract private investment in the rehabilitation of historic structures, and would generally expand the pool of interested lessors and concessioners.

Summary of Bill:

The State Parks and Recreation Commission is allowed to enter into leases of 50-year terms..

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill is necessary for the operation of our state parks. It is important to amortize the cost of restoring historic buildings, and this bill makes such amortization possible. This bill is a policy change which is the result of a continuing discussion between the Parks and Recreation Commission and the Legislature regarding the necessity of the state parks becoming self-sufficient. The State Parks and Recreation Commission issued a request for proposal to renovate the Saint Edwards Seminary, which is a state park on Lake Washington. A group was interested in leasing the facility and performing the necessary renovations, and could have benefitted from a federal tax credit which is available to those who renovate historic buildings. In order to make the venture profitable however, the group needed a lease of over 40 years. This bill is necessary for the State Parks and Recreation Commission to attract private investors to renovate historic structures.

Testimony Against: None.

Testified: Representative Gary Alexander (prime sponsor); and Rex Derr, State Parks and Recreation Commission.