

***Transportation***

***HB 1678***

***Brief Description:*** Funding advance right-of-way acquisitions.

***Sponsors:*** Representatives Fisher, Mitchell and Poulsen; by request of The Blue Ribbon Commission on Transportation.

***Brief Summary of Bill***

- *Creates the City and County Advance Right-of-Way Revolving Fund administered by the Transportation Improvement Board.*
- *An initial appropriation of \$5 million is made to the account which is intended to act as a loan source for approved cities and counties to purchase right-of-way property up to ten years in advance of a programmed roadway project going to construction.*

***Hearing Date:*** 2/5/01

***Staff:*** Reema Griffith (786-7301).

***Background:***

*Within the Blue Ribbon Commission on Transportation's recommendation to achieve construction and project delivery efficiencies,– a specific sub-recommendation was to use right-of-way banking.– Buying right-of-way property well in advance of a project going to construction has been the practice of the Department of Transportation since 1969 through the use of the Advance Right-of-Way Revolving Fund. Cities and counties have typically not been financially able to adopt this type of practice and there has never been a dedicated fund source from which they could draw on to fund the advanced purchase of right-of-way.*

***Summary of Bill:***

*The City and County Advance Right-of-Way Revolving Fund is created and establishes the Transportation Improvement Board (TIB) as the administrator of the fund. An initial*

*deposit of \$5 million dollars from the Motor Vehicle Fund is made. The TIB will adopt rules and develop policies to implement this program which will function as a loan program– similar to the Public Works Trust Fund. Through this approach, funding is made available to cities and counties for the purpose of purchasing right-of-way property up to ten years in advance of a programmed roadway project going to construction.*

*Once the approved local jurisdiction has purchased the property, it is their responsibility to manage the property in accordance with sound business practices and provide annual status reports to the TIB. Any funds received by the local jurisdiction during the interim management of the property must be deposited into the revolving fund.*

*When the local jurisdiction proceeds with the construction of a project that will require the use of any of the property acquired, the local jurisdiction must reimburse the revolving fund for an amount equal to the current appraised value of the property. They must reimburse the fund with their own personal funds and are not allowed to apply toward the reimbursement, any other funding awarded to them by TIB. Also, the reimbursement amount cannot be credited toward any matching funds that may be required by TIB for the actual project funding.*

*If a local jurisdiction determines that any property acquired through the revolving fund will not be required for a project, the local jurisdiction may sell the property at fair market value. All proceeds from a sale must be deposited into the revolving fund.*

*Deposits made into the fund may be reexpended without further or additional appropriations.*

***Appropriation:*** *The Sum of \$5 million from the Motor Vehicle Fund.*

***Fiscal Note:*** *Requested on February 2, 2001.*

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