

HOUSE BILL REPORT

E2SHB 2667

As Passed House:
March 8, 2016

Title: An act relating to concerning administrative processes of the state parks and recreation commission that require a majority vote of the commission.

Brief Description: Concerning administrative processes of the state parks and recreation commission that require a majority vote of the commission.

Sponsors: House Committee on Capital Budget (originally sponsored by Representatives Farrell, Holy, Pollet, Shea, Nealey, Walsh, Scott, Kagi, Senn, Johnson and Short).

Brief History:

Committee Activity:

Environment: 1/26/16, 2/1/16 [DPS];
Capital Budget: 2/8/16 [DP2S(w/o sub ENVI)].

Floor Activity:

Passed House: 3/8/16, 93-3.

Brief Summary of Engrossed Second Substitute Bill

- Authorizes the Parks and Recreation Commission (Commission) to lease certain property at Saint Edward State Park (Saint Edward) for up to 62 years upon an affirmative vote of five of the seven commissioners and contingent upon a Department of Commerce (Commerce) study failing to identify viable public or nonprofit uses of the property.
- Directs Commerce to complete a study by July 31, 2016, of the feasibility of potential public or nonprofit uses of the seminary building at Saint Edward.

HOUSE COMMITTEE ON ENVIRONMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Fitzgibbon, Chair; Peterson, Vice Chair; Farrell, Fey, Goodman and McBride.

Minority Report: Do not pass. Signed by 5 members: Representatives Shea, Ranking Minority Member; Short, Assistant Ranking Minority Member; Dye, Pike and Taylor.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Jacob Lipson (786-7196).

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Environment. Signed by 8 members: Representatives Tharinger, Chair; Stanford, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Kilduff, Kochmar, Peterson and Riccelli.

Staff: Steve Masse (786-7115).

Background:

The State Parks and Recreation Commission (Commission) manages a system of over 100 parks with a variety of facilities, historic buildings, and recreation programs. Among the properties in the state parks system is Saint Edward State Park (Saint Edward) in King County. With partial financial support from federal land and water conservation fund, the state acquired Saint Edward in 1977 from the Seattle Catholic Archdiocese, which had sited a boy's school and seminary on the property. Today, Saint Edward encompasses 316 acres of buildings, recreational facilities, and undeveloped outdoor spaces, including several buildings listed on the National Register of Historic Places.

The state parks system is administered by a seven-member citizen commission appointed by the Governor, with one commissioner appointed as the Commission chair. The Commission hires a director, who reports to the Commission, and the director then manages day-to-day state parks operations. Commissioners serve six-year terms, with any vacancies to be filled by gubernatorial appointments.

Certain items of committee business, such as obtaining or leasing lands for the state parks system require a majority vote of the Commission. However, unanimous consent of the Commission is required in order to lease state-owned land for a period of longer than 20 years, and in order to sell or exchange state park land. Leases of state park property by the Commission are limited to a maximum term of 50 years.

Summary of Engrossed Second Substitute Bill:

The Department of Commerce, in consultation with the Commission, must conduct a study of the economic feasibility of public or nonprofit uses of the seminary building at Saint Edward. The study must be submitted to the Commission, the Governor's office, and the Legislature by July 31, 2016. The study must consider the cost estimates for maintenance and building renovation, traffic implications of potential uses, limitations imposed by the National Park Service as a result of federal land and water conservation funding and land use codes, and data from previous studies of potential uses of the Saint Edward seminary building.

If the Commission determines that the Department of Commerce's study has failed to identify an economically viable public or non-profit use for property, the Commission may lease

certain property at Saint Edward under different constraints than usually apply to leases by the Commission. If the Commission determines that the study does not identify economically viable public or nonprofit uses of the property, the Commission may lease certain property for 62 years instead of the normal 50-year maximum, and may enter into this lease upon an affirmative vote of five of the seven members of the Commission, instead of the usual requirement for unanimous Commission authorization. The property at Saint Edward that qualifies for a 62-year lease after a five-vote Commission authorization is limited to the main seminary building, the pool building, the gymnasium, two adjacent parking lots, and other property immediately adjacent to those areas.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on March 9, 2016.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony (Environment):

(In support) This bill gives the Commission flexibility to manage state parks in a financially independent manner, in line with the Legislature's previous budgetary direction. This bill will facilitate partnerships with the private sector, by encouraging redevelopment of decaying park structures with expensive deferred maintenance. If the leasing flexibility in this bill is not granted by the Legislature, the redevelopment of the seminary at St. Edwards State Park will not occur. The restrictions on the sale and leasing of state parks lands are above and beyond any requirements that the state places on other agencies, its universities, or any other public entities that manage real estate. Requiring the unanimous consent of the Commission may put Commissioners in the uncomfortable position of choosing between voting against their conscience or voting so as to thwart the will of the majority.

(Opposed) It makes sense to require most Commission decisions to be supported by a simple majority, but sales of state parks lands should still require a unanimous majority. State parks leadership and staff are temporary, and decisions to sell state parks lands should need to clear a high bar. It is not a bad thing for the state to be outliers in requiring unanimous consent to sell parkland.

Staff Summary of Public Testimony (Capital Budget):

(In support) The Commission has limited funding sources and is finding alternative resources including public-private partnerships. About half of the state parks make up a \$450 million maintenance backlog. When developers are interested in partnering with state parks there is more flexibility for different funding opportunities.

(Opposed) None.

Persons Testifying (Environment): (In support) Representative Farrell, prime sponsor; Representative Holy; Daniel Farber and Mark Brown, Washington State Parks and

Recreation Commission; David Baker, City of Kenmore; Doug Levy, Washington Recreation and Park Association; and Chris Moore, Washington Trust for Historic Preservation.

(Opposed) Stet Palmer and Patrick Wadsworth, Friends of Schafer and Lake Sylvia State Parks.

Persons Testifying (Capital Budget): Representative Farrell, prime sponsor; Daniel Farber, Washington State Parks; and David Baker, City of Kenmore.

Persons Signed In To Testify But Not Testifying (Environment): None.

Persons Signed In To Testify But Not Testifying (Capital Budget): None.