

REGULAR ITEM (RESOLUTION 26-06-20)

June 4, 2026

Tab 5

Spokane Community College and Spokane Public Schools Trades High School Ground Lease

Brief Description

Spokane Community College requests State Board approval to enter into a long-term ground lease with Spokane Public Schools for the development and operation of a Trades High School at the SCC campus. The proposed ground lease would allow SPS to construct and operate a four-year high school focused on skilled trades and applied technical education while preserving long-term state ownership of the land and strengthening coordinated pathways between K-12 and postsecondary workforce programs.

How does this item link to the State Board's Strategic Plan?

The proposed ground lease directly supports the State Board's strategic priorities by expanding access to career-connected education and strengthening pathways from K-12 to postsecondary training. The Trades High School will help increase participation in high-demand skilled trades programs while creating clearer, more accessible transitions for students into community and technical college programs, apprenticeships, and workforce credentials.

In addition, the proposal advances system goals related to workforce development and regional economic alignment by responding to documented labor market needs and leveraging partnerships to maximize the use of public resources and assets.

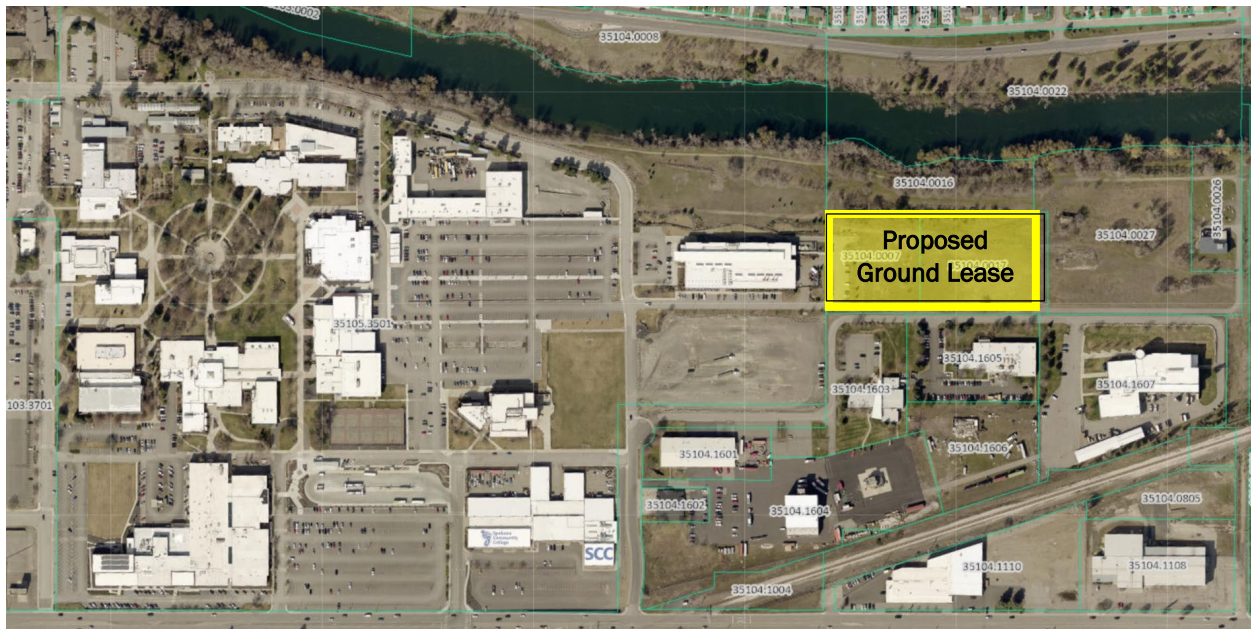
Background information and analysis

Spokane Community College (SCC), part of Spokane Colleges, requests State Board approval to enter into a long-term ground lease with Spokane Public Schools (SPS) for construction and operation of a Trades High School on SCC-controlled property. The proposal has been approved by the Spokane Colleges Board of Trustees and is presented consistent with SBCTC policy governing real property transactions.

The partnership responds to a voter-approved SPS capital bond and strong regional demand for expanded career and technical education. The Spokane region faces workforce shortages in healthcare, construction, and manufacturing, driven by retirements outpacing new entrants. The Trades High School is intended to strengthen the pipeline into these high-demand fields.

The proposed school would operate as a full-day, four-year program, distinct from existing skills centers, structured as a dual-credit pathway. Students would earn both a high school diploma and associate degree or industry-recognized credentials, reducing time to completion and increasing early access to postsecondary education and workforce pathways. The program is intended to be broadly accessible and supported with appropriate student services within a college campus setting.

The facility would be located on approximately 5.3-acres adjacent to SCC's Technical Education Building, with minimal impact on campus operations and no conflict with planned capital projects. Public engagement through the SPS bond process indicates strong community support.



Under the long-term ground lease, SPS would design, finance, construct, operate, and maintain the facility, while SCC and the State retain land ownership. SPS has indicated the program may become self-supporting over time. No significant new operating costs to the college are anticipated beyond those addressed in the lease.

Consistent with RCW 28B.50.090(13) and SBCTC policy, the State Board must determine whether the proposal is in the best interests of the college, community, system, and state. This request aligns with those criteria by advancing workforce education, addressing documented labor demand, and strengthening K-12 and postsecondary collaboration.

The State will retain control over the property through lease provisions governing permitted use, operations, and long-term disposition of improvements. At lease conclusion, improvements will revert to the State or be removed at SCC's discretion. Standard requirements for insurance, bonding, indemnification, and compliance with applicable laws, including prevailing wage, will apply.

Key lease elements are expected to include:

- Initial term of approximately 20 years with renewal options
- SPS responsibility for design, construction, financing, operations, and maintenance
- Compliance with prevailing wage requirements
- Removal of improvements and site restoration at lease end unless otherwise authorized

The College board of trustees approved resolution supporting this request at their April 7, 2026 meeting.

Process and next steps

SBCTC staff have reviewed the proposal for consistency with State Board policy requirements. If approved by the State Board, Spokane Community College will complete negotiations of the ground lease and any related agreements and continue to coordinate with the Office of the Attorney General

and other appropriate state agencies, as needed, prior to final execution. Execution of the agreements will be contingent upon confirmation that all terms and conditions comply with State Board policy and applicable law.

Recommendation/preferred result

Staff recommends approval of the resolution authorizing Spokane Community College to negotiate and enter into a ground lease with Spokane Public Schools for the development and operation of a Trades High School on SCC-controlled State Board property. The proposal is consistent with SBCTC policy requirements, serves a clear public purpose, and represents an appropriate and beneficial use of state-owned property.

The resolution would also authorize the Executive Director to approve and execute the final agreement upon confirmation that all required reviews have been completed and that the agreement complies with State Board policy and applicable law.

Policy Manual Change Yes No

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STATE OF WASHINGTON STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES RESOLUTION 26-06-20

A resolution authorizing Spokane Community College to enter into a ground lease with Spokane Public Schools for development and operation of a Trades High School.

WHEREAS, Spokane Community College (SCC), part of Spokane Colleges, has requested approval to enter into a ground lease with Spokane Public Schools (SPS) for the development and operation of a Trades High School on SCC-controlled, state-owned property; and

WHEREAS the Spokane Colleges Board of Trustees has approved submission of this proposal to the State Board for Community and Technical Colleges for consideration; and

WHEREAS the proposed project is supported by voter-approved Spokane Public Schools capital funding and is intended to expand access to career and technical education and address regional workforce needs in skilled trades and applied technical fields; and

WHEREAS the proposed ground lease would allow Spokane Public Schools to design, finance, construct, operate, and maintain a Trades High School facility on SCC property while preserving long-term state ownership of the land; and

WHEREAS Spokane Community College will retain appropriate institutional control over the use of the property, including permitted uses, operational expectations, and long-term disposition of improvements through the terms of the ground lease and related agreements; and

WHEREAS Spokane Public Schools will be responsible for all costs associated with design, construction, operation, and maintenance of the facility for the duration of the lease, and the proposal does not require state capital funding and does not create material new financial obligations for the college beyond those expressly agreed to; and

WHEREAS the proposal has been reviewed in accordance with SBCTC policy governing real property transactions, and the State Board finds that the proposed ground lease is consistent with applicable statutes and policies; and

WHEREAS the State Board finds that the proposed ground lease serves the best interests of Spokane Community College, the community, the community and technical college system, and the State of Washington by expanding educational opportunity and strengthening workforce pathways;

THEREFORE, BE IT RESOLVED, That the State Board for Community and Technical Colleges approves Spokane Community College's proposal to enter into a ground lease with Spokane Public Schools for the development and operation of a Trades High School on SCC-controlled property; and

BE IT FURTHER RESOLVED that Spokane Community College is authorized to negotiate the terms of the ground lease and any related agreements consistent with this resolution and applicable State Board policy; and

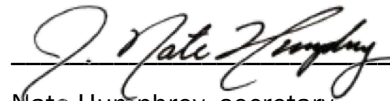
BE IT FURTHER RESOLVED that the Executive Director of the State Board for Community and Technical Colleges, or designee, is authorized to review, approve, and execute the final ground lease and related agreements on behalf of the State Board upon determining that the agreements:

- Are consistent with the terms and intent of this resolution;
- Comply with applicable state law and State Board policy; and
- Have been reviewed by the Office of the Attorney General and other appropriate state agencies as required.

BE IT FURTHER RESOLVED that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action, including any necessary changes to the State Board's Policy Manual, as necessary, for actions taken by the Governor, Legislature, data corrections, externally imposed restrictions or guidelines, uniform accounting and reporting requirements, and unanticipated changes in state or federal law.

APPROVED AND ADOPTED on (06/4/2026)

Attest



Nate Humphrey, secretary



Martin Valadez, chair