

Bond Case Briefs

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PORT AUTHORITY - WASHINGTON

Lane v. Port of Seattle

Court of Appeals of Washington, Division 1 - November 25, 2013 - P.3d - 2013 WL 6169310

The Port of Seattle purchased the Eastside Rail Corridor from Burlington Northern Santa Fe Railway Company (BNSF) for \$81.4 million and sold portions to King County and the city of Redmond.

Taxpayer contended the Port lacked statutory authority to make the purchase because the northern part of the corridor lies outside the port district and will not be used to run cargo to or from existing port facilities.

The Court of Appeals held that:

- Purchase of portion of rail corridor fell within port's statutory powers, even though portion had no physical connection to existing port facilities and was outside of port boundaries;
- Fact that port commission failed to adopt formal resolution until after purchase did not render the purchase ultra vires;
- Port commission's finding of reasonable necessity for purchase was not arbitrary and capricious; and
- Evidence supported port commission's finding that acquisition of rail corridor property would stimulate economic development and that purchase was therefore necessary for port district's purposes.