
SENATE BILL 5442

State of Washington

64th Legislature

2015 Regular Session

By Senators Warnick and Hatfield; by request of Washington State Department of Commerce

Read first time 01/21/15. Referred to Committee on Agriculture, Water & Rural Economic Development.

1 AN ACT Relating to eligibility criteria for the community
2 economic revitalization board programs; amending RCW 43.160.060; and
3 declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 43.160.060 and 2014 c 112 s 108 are each amended to
6 read as follows:

7 (1) The board is authorized to make direct loans to political
8 subdivisions of the state and to federally recognized Indian tribes
9 for the purposes of assisting the political subdivisions and
10 federally recognized Indian tribes in financing the cost of public
11 facilities, including development of land and improvements for public
12 facilities, project-specific environmental, capital facilities, land
13 use, permitting, feasibility, and marketing studies and plans;
14 project design, site planning, and analysis; project debt and revenue
15 impact analysis; as well as the construction, rehabilitation,
16 alteration, expansion, or improvement of the facilities. A grant may
17 also be authorized for purposes designated in this chapter, but only
18 when, and to the extent that, a loan is not reasonably possible,
19 given the limited resources of the political subdivision or the
20 federally recognized Indian tribe and the finding by the board that
21 financial circumstances require grant assistance to enable the

1 project to move forward. However, no more than twenty-five percent of
2 all financial assistance approved by the board in any biennium may
3 consist of grants to political subdivisions and federally recognized
4 Indian tribes.

5 (2) The board must award a minimum of seventy-five percent of the
6 moneys appropriated to it in the omnibus capital appropriations act
7 to projects that are able to demonstrate convincing evidence that the
8 median hourly wage of the private sector jobs created after the
9 project is completed will exceed the countywide median hourly wage
10 for private sector jobs.

11 (3) The board may award up to twenty-five percent of the biennial
12 moneys appropriated to projects that cannot demonstrate convincing
13 evidence that the median hourly wage of the private sector jobs
14 created after the project is completed will exceed the countywide
15 median hourly wage for private sector jobs.

16 (4) The board must give funding priority to eligible projects
17 applying under the committed private sector partner construction
18 program.

19 (5) Application for funds must be made in the form and manner as
20 the board may prescribe. In making grants or loans the board must
21 conform to the following requirements:

22 (a) The board may not provide financial assistance:

23 (i) For a project the primary purpose of which is to facilitate
24 or promote a retail shopping development or expansion.

25 (ii) For any project that evidence exists would result in a
26 development or expansion that would displace existing jobs in any
27 other community in the state.

28 (iii) For a project the primary purpose of which is to facilitate
29 or promote gambling.

30 (iv) For a project located outside the jurisdiction of the
31 applicant political subdivision or federally recognized Indian tribe.

32 (b) The board may only provide financial assistance:

33 (i) For a project demonstrating convincing evidence that a
34 specific private development or expansion is ready to occur and will
35 occur only if the public facility improvement is made that:

36 (A) Results in the creation of significant private sector jobs or
37 significant private sector capital investment as determined by the
38 board; and

39 (B) Will improve the opportunities for the successful
40 maintenance, establishment, or expansion of industrial or commercial

1 plants or will otherwise assist in the creation or retention of long-
2 term economic opportunities;

3 (ii) For a project that cannot meet the requirement of (b)(i) of
4 this subsection but is a project that:

5 (A) Results in the creation of significant private sector jobs or
6 significant private sector capital investment as determined by the
7 board;

8 (B) Is part of a local economic development plan consistent with
9 applicable state planning requirements;

10 (C) Can demonstrate project feasibility using standard economic
11 principles; and

12 (D) Is located in a rural community as defined by the board, or a
13 rural county;

14 (iii) For site-specific plans, studies, and analyses that address
15 environmental impacts, capital facilities, land use, permitting,
16 feasibility, marketing, project engineering, design, site planning,
17 and project debt and revenue impacts, as grants not to exceed fifty
18 thousand dollars.

19 (c) The board must develop guidelines for local participation and
20 allowable match and activities.

21 (d) An application must demonstrate local match and local
22 participation, in accordance with guidelines developed by the board.

23 (e) An application must be approved by the political subdivision
24 and supported by the local associate development organization or
25 local workforce development council or approved by the governing body
26 of the federally recognized Indian tribe.

27 (f) The board may allow de minimis general system improvements to
28 be funded if they are critically linked to the viability of the
29 project.

30 (g) ~~((An application must demonstrate convincing evidence that
31 the median hourly wage of the private sector jobs created after the
32 project is completed will exceed the countywide median hourly wage.~~

33 ~~(h))~~) The board must prioritize each proposed project according
34 to:

35 (i) The relative benefits provided to the community by the jobs
36 the project would create, not just the total number of jobs it would
37 create after the project is completed, but also giving consideration
38 to the unemployment rate in the area in which the jobs would be
39 located;

1 (ii) The rate of return of the state's investment, including, but
2 not limited to, the leveraging of private sector investment,
3 anticipated job creation and retention, and expected increases in
4 state and local tax revenues associated with the project;

5 (iii) Whether the proposed project offers a health insurance plan
6 for employees that includes an option for dependents of employees;

7 (iv) Whether the public facility investment will increase
8 existing capacity necessary to accommodate projected population and
9 employment growth in a manner that supports infill and redevelopment
10 of existing urban or industrial areas that are served by adequate
11 public facilities. Projects should maximize the use of existing
12 infrastructure and provide for adequate funding of necessary
13 transportation improvements;

14 (v) Whether the applicant's permitting process has been certified
15 as streamlined by the office of regulatory assistance; and

16 (vi) Whether the applicant has developed and adhered to
17 guidelines regarding its permitting process for those applying for
18 development permits consistent with section 1(2), chapter 231, Laws
19 of 2007.

20 ~~((+i))~~ (h) A responsible official of the political subdivision
21 or the federally recognized Indian tribe must be present during board
22 deliberations and provide information that the board requests.

23 ~~((+3))~~ (6) Before any financial assistance application is
24 approved, the political subdivision or the federally recognized
25 Indian tribe seeking the assistance must demonstrate to the community
26 economic revitalization board that no other timely source of funding
27 is available to it at costs reasonably similar to financing available
28 from the community economic revitalization board.

29 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of
31 the state government and its existing public institutions, and takes
32 effect immediately.

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