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**SUBSTITUTE SENATE BILL 5400**

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**State of Washington**

**57th Legislature**

**2001 Regular Session**

**By** Senate Committee on Economic Development & Telecommunications  
(originally sponsored by Senators T. Sheldon, Franklin, Shin, Regala,  
Costa and Gardner; by request of Governor Locke)

READ FIRST TIME 02/22/01.

1 AN ACT Relating to clarifying the authority of the community  
2 economic revitalization board to make loans and grants to political  
3 subdivisions and federally recognized Indian tribes for public  
4 facilities; and amending RCW 43.160.060.

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

6 **Sec. 1.** RCW 43.160.060 and 1999 c 164 s 103 are each amended to  
7 read as follows:

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

1 the limited resources of the political subdivision or the federally  
2 recognized Indian tribe and the finding by the board that financial  
3 circumstances require grant assistance to enable the project to move  
4 forward.

5 Application for funds shall be made in the form and manner as the  
6 board may prescribe. In making grants or loans the board shall conform  
7 to the following requirements:

8 (1) The board shall not provide financial assistance:

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

11 (b) For any project that evidence exists would result in a  
12 development or expansion that would displace existing jobs in any other  
13 community in the state.

14 (c) For the acquisition of real property, including buildings and  
15 other fixtures which are a part of real property.

16 (d) For a project the primary purpose of which is to facilitate or  
17 promote gambling.

18 (2) The board shall only provide financial assistance:

19 (a) For those projects which would result in specific private  
20 developments or expansions (i) in manufacturing, production, food  
21 processing, assembly, warehousing, advanced technology, research and  
22 development, and industrial distribution; (ii) for processing  
23 recyclable materials or for facilities that support recycling,  
24 including processes not currently provided in the state, including but  
25 not limited to, de-inking facilities, mixed waste paper, plastics, yard  
26 waste, and problem-waste processing; (iii) for manufacturing facilities  
27 that rely significantly on recyclable materials, including but not  
28 limited to waste tires and mixed waste paper; (iv) which support the  
29 relocation of businesses from nondistressed urban areas to rural  
30 counties or rural natural resources impact areas; or (v) which  
31 substantially support the trading of goods or services outside of the  
32 state's borders.

33 (b) For projects which it finds will improve the opportunities for  
34 the successful maintenance, establishment, or expansion of industrial  
35 or commercial plants or will otherwise assist in the creation or  
36 retention of long-term economic opportunities.

37 (c) When the application includes convincing evidence that a  
38 specific private development or expansion is ready to occur and will  
39 occur only if the public facility improvement is made.

1 (3) The board shall prioritize each proposed project according to:

2 (a) The relative benefits provided to the community by the jobs the  
3 project would create, not just the total number of jobs it would create  
4 after the project is completed and according to the unemployment rate  
5 in the area in which the jobs would be located; and

6 (b) The rate of return of the state's investment, that includes the  
7 expected increase in state and local tax revenues associated with the  
8 project.

9 (4) A responsible official of the political subdivision or the  
10 federally recognized Indian tribe shall be present during board  
11 deliberations and provide information that the board requests.

12 Before any financial assistance application is approved, the  
13 political subdivision or the federally recognized Indian tribe seeking  
14 the assistance must demonstrate to the community economic  
15 revitalization board that no other timely source of funding is  
16 available to it at costs reasonably similar to financing available from  
17 the community economic revitalization board.

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