
HOUSE BILL 2602

State of Washington

59th Legislature

2006 Regular Session

By Representatives McCoy, Dunn, Chase, Hasegawa, Sells, B. Sullivan, Linville, Lovick and Kilmer

Read first time 01/11/2006. Referred to Committee on Economic Development, Agriculture & Trade.

1 AN ACT Relating to the community economic revitalization board's
2 funding of public facility construction projects; and amending RCW
3 43.160.200.

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

5 **Sec. 1.** RCW 43.160.200 and 2004 c 252 s 4 are each amended to read
6 as follows:

7 (1) The economic development account is created within the public
8 facilities construction loan revolving fund under RCW 43.160.080.
9 Moneys in the account may be spent only after appropriation.
10 Expenditures from the account may be used only for the purposes of RCW
11 43.160.010(5) and this section. The account is subject to allotment
12 procedures under chapter 43.88 RCW.

13 (2) Applications under this section for assistance from the
14 economic development account are subject to all of the applicable
15 criteria set forth under this chapter, as well as procedures and
16 criteria established by the board, except as otherwise provided.

17 (3) Eligible applicants under this section are limited to political
18 subdivisions of the state and federally recognized Indian tribes in
19 rural natural resources impact areas and rural counties.

1 (4) Applicants must demonstrate that their request is part of an
2 economic development plan consistent with applicable state planning
3 requirements. Applicants must demonstrate that tourism projects have
4 been approved by the local government or federally recognized Indian
5 tribe. Industrial projects must be approved by the local government
6 and the associate development organization, or by the federally
7 recognized Indian tribe.

8 (5) Publicly owned projects may be financed under this section upon
9 proof by the applicant that the public project is a necessary component
10 of, or constitutes in whole, a tourism project.

11 (6) Applications must demonstrate local match and participation.
12 Such match may include: Land donation, other public or private funds
13 or both, or other means of local commitment to the project.

14 (7) Board financing for project-specific environmental, capital
15 facilities, land use, permitting, feasibility, and marketing studies
16 and plans; project engineering, design, and site planning and analysis;
17 and project debt and revenue impact analysis shall not exceed fifty
18 thousand dollars per study. Board funds for these purposes may be
19 provided as a grant and require a match.

20 (8) Board financing for tourism projects shall not exceed two
21 hundred fifty thousand dollars. Other public facility construction
22 projects under this section shall not exceed one million five hundred
23 thousand dollars. Loans with flexible terms and conditions to meet the
24 needs of the applicants shall be provided. Grants may also be
25 authorized, but only when, and to the extent that, a loan is not
26 reasonably possible, given the limited resources of the political
27 subdivision or the federally recognized Indian tribe.

28 (9) The board shall develop guidelines for allowable local match
29 and planning and predevelopment activities.

30 (10) The board may allow de minimis general system improvements to
31 be funded if they are critically linked to the viability of the
32 economic development project assisted under this section.

33 (11) Applications under this section need not demonstrate evidence
34 that specific private development or expansion is ready to occur or
35 will occur if funds are provided.

36 (12) The board shall establish guidelines for providing financial
37 assistance under this section to ensure that the requirements of this
38 chapter are complied with. The guidelines shall include:

1 (a) A process to equitably compare and evaluate applications from
2 competing communities.

3 (b) Criteria to ensure that approved projects will have a high
4 probability of success and are likely to provide long-term economic
5 benefits to the community. The criteria shall include: (i) A minimum
6 amount of local participation, determined by the board per application,
7 to verify community support for the project; (ii) an analysis that
8 establishes the project is feasible using standard economic principles;
9 and (iii) an explanation from the applicant regarding how the project
10 is consistent with the communities' economic strategy and goals.

11 (c) A method of evaluating the impact of the financial assistance
12 on the economy of the community and whether the financial assistance
13 achieved its purpose.

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