
HOUSE BILL 3314

State of Washington 60th Legislature 2008 Regular Session

By Representatives Ormsby, Haler, Schual-Berke, and Hunt

1 AN ACT Relating to loans made by the community economic
2 revitalization board; amending RCW 43.160.060; and adding a new section
3 to chapter 43.160 RCW.

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

5 **Sec. 1.** RCW 43.160.060 and 2007 c 231 s 3 are each amended to read
6 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 for
9 the purposes of assisting the political subdivisions and federally
10 recognized Indian tribes in financing the following:

11 (a) The cost of public facilities, including development of land
12 and improvements for public facilities, project-specific environmental,
13 capital facilities, land use, permitting, feasibility, and marketing
14 studies and plans; project design, site planning, and analysis; project
15 debt and revenue impact analysis; as well as the construction,
16 rehabilitation, alteration, expansion, or improvement of the
17 facilities;

18 (b) The cost of public works projects that support affordable
19 rental and owner-occupied housing, including the planning,

1 construction, repair, reconstruction, replacement, rehabilitation, or
2 improvement of sidewalks, streets and roads, bridges, power utilities,
3 water systems, storm and sanitary sewage systems, and solid waste
4 facilities.

5 (i) For the purposes of this section, "affordable rental housing"
6 means rental housing units affordable to and occupied by households
7 with incomes not exceeding eighty percent of the median income for
8 housing located outside of high-cost areas, or equal to the median
9 income for housing located within high-cost areas.

10 (ii) For the purposes of this section, "affordable owner-occupied
11 housing" means housing affordable to and occupied by households with
12 incomes not exceeding one hundred fifteen percent of the median income
13 for housing located outside of high-cost areas, or one hundred fifty
14 percent of the median income for housing located within high-cost
15 areas.

16 (iii) For the purposes of this section, "high-cost area" means a
17 county where the third quarter median house price for the previous
18 year, as reported by the Washington center for real estate research at
19 Washington State University, is equal to or greater than one hundred
20 thirty percent of the statewide median house price published during the
21 same time period.

22 (2) A grant may also be authorized for purposes designated in this
23 chapter, but only when, and to the extent that, a loan is not
24 reasonably possible, given the limited resources of the political
25 subdivision or the federally recognized Indian tribe and the finding by
26 the board that financial circumstances require grant assistance to
27 enable the project to move forward. However, at least ten percent of
28 all financial assistance provided by the board in any biennium shall
29 consist of grants to political subdivisions and federally recognized
30 Indian tribes.

31 (3) Application for funds shall be made in the form and manner as
32 the board may prescribe. In making grants or loans the board shall
33 conform to the following requirements:

34 ~~((1))~~ (a) The board shall not provide financial assistance:

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

37 ~~((b))~~ (ii) For any project that evidence exists would result in

1 a development or expansion that would displace existing jobs in any
2 other community in the state.

3 ~~((e))~~ (iii) For the acquisition of real property, including
4 buildings and other fixtures which are a part of real property, except
5 when the acquisition is directly related to the development of
6 affordable rental housing and affordable owner-occupied housing defined
7 in subsection (1)(b) of this section.

8 ~~((d))~~ (iv) For a project the primary purpose of which is to
9 facilitate or promote gambling.

10 ~~((2))~~ (b) The board shall only provide financial assistance:

11 ~~((a))~~ (i) For those projects which would result in specific
12 private developments or expansions ~~((i))~~ (A) in manufacturing,
13 production, food processing, assembly, warehousing, advanced
14 technology, research and development, and industrial distribution;
15 ~~((ii))~~ (B) for processing recyclable materials or for facilities that
16 support recycling, including processes not currently provided in the
17 state, including but not limited to, de-inking facilities, mixed waste
18 paper, plastics, yard waste, and problem-waste processing; ~~((iii))~~
19 (C) for manufacturing facilities that rely significantly on recyclable
20 materials, including but not limited to waste tires and mixed waste
21 paper; ~~((iv))~~ (D) which support the relocation of businesses from
22 nondistressed urban areas to rural counties or rural natural resources
23 impact areas; ~~((or (v))~~ (E) which substantially support the trading of
24 goods or services outside of the state's borders; or (F) for public
25 works infrastructure that supports affordable housing as identified in
26 subsection (1)(b) of this section.

27 ~~((b))~~ (ii) For projects which it finds will improve the
28 opportunities for the successful maintenance, establishment, or
29 expansion of industrial or commercial plants or will otherwise assist
30 in the creation or retention of long-term economic opportunities.

31 ~~((e))~~ (iii) When the application includes convincing evidence
32 that a specific private development or expansion is ready to occur and
33 will occur only if the public facility improvement is made.

34 ~~((3))~~ (iv) For public works projects that support affordable
35 housing, identified in subsection (1)(b) of this section, and that
36 demonstrate convincing evidence that (A) additional residential or
37 mixed-use development will occur in an urban growth area designated
38 under RCW 36.70A.110; (B) the proposed mixed-use residential

1 development is within one-half mile of a transit station; and (C)
2 either moderate or high-density, or both, housing developments will be
3 constructed.

4 (c) The board shall prioritize each proposed project according to:

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

9 ((+b)) (ii) The rate of return of the state's investment, that
10 includes the expected increase in state and local tax revenues
11 associated with the project; and

12 ((+c)) (iii) Whether the applicant has developed and adhered to
13 guidelines regarding its permitting process for those applying for
14 development permits consistent with section 1(2), chapter 231, Laws of
15 2007.

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

19 (5) Before any financial assistance application is approved, the
20 political subdivision or the federally recognized Indian tribe seeking
21 the assistance must demonstrate to the community economic
22 revitalization board that no other timely source of funding is
23 available to it at costs reasonably similar to financing available from
24 the community economic revitalization board.

25 NEW SECTION. Sec. 2. A new section is added to chapter 43.160 RCW
26 to read as follows:

27 The affordable housing infrastructure account is created in the
28 state treasury. All receipts from appropriations made to the account,
29 repayments of loans made pursuant to RCW 43.160.060(1)(b), and other
30 sources identified by the legislature must be deposited into the
31 account. Moneys in the account may be spent only after appropriation.
32 Expenditures from the account may be used only for the purposes
33 identified in RCW 43.160.060(1)(b).

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