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HOUSE BILL 1252

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State of Washington

61st Legislature

2009 Regular Session

By Representatives Kenney, Smith, Bailey, Seaquist, Haler, Kristiansen, Kelley, and Herrera; by request of Department of Community, Trade, and Economic Development

Read first time 01/15/09. Referred to Committee on Community & Economic Development & Trade.

1 AN ACT Relating to wage criteria used by the community economic  
2 revitalization board to determine project selection; and amending RCW  
3 43.160.060.

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

5 **Sec. 1.** RCW 43.160.060 and 2008 c 327 s 5 are each amended to read  
6 as follows:

7 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 cost of public facilities,  
11 including development of land and improvements for public facilities,  
12 project-specific environmental, capital facilities, land use,  
13 permitting, feasibility, and marketing studies and plans; project  
14 design, site planning, and analysis; project debt and revenue impact  
15 analysis; as well as the construction, rehabilitation, alteration,  
16 expansion, or improvement of the facilities. A grant may also be  
17 authorized for purposes designated in this chapter, but only when, and  
18 to the extent that, a loan is not reasonably possible, given the  
19 limited resources of the political subdivision or the federally

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

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

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

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

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

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

17 (d) For a project located outside the jurisdiction of the applicant  
18 political subdivision or federally recognized Indian tribe.

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

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

23 (i) Results in the creation of significant private sector jobs or  
24 significant private sector capital investment as determined by the  
25 board and is consistent with the state comprehensive economic  
26 development plan developed by the Washington economic development  
27 commission pursuant to chapter 43.162 RCW, once the plan is adopted;  
28 and

29 (ii) Will improve the opportunities for the successful maintenance,  
30 establishment, or expansion of industrial or commercial plants or will  
31 otherwise assist in the creation or retention of long-term economic  
32 opportunities;

33 (b) For a project that cannot meet the requirement of (a) of this  
34 subsection but is a project that:

35 (i) Results in the creation of significant private sector jobs or  
36 significant private sector capital investment as determined by the  
37 board and is consistent with the state comprehensive economic

1 development plan developed by the Washington economic development  
2 commission pursuant to chapter 43.162 RCW, once the plan is adopted;

3 (ii) Is part of a local economic development plan consistent with  
4 applicable state planning requirements;

5 (iii) Can demonstrate project feasibility using standard economic  
6 principles; and

7 (iv) Is located in a rural community as defined by the board, or a  
8 rural county;

9 (c) For site-specific plans, studies, and analyses that address  
10 environmental impacts, capital facilities, land use, permitting,  
11 feasibility, marketing, project engineering, design, site planning, and  
12 project debt and revenue impacts, as grants not to exceed fifty  
13 thousand dollars.

14 (3) The board shall develop guidelines for local participation and  
15 allowable match and activities.

16 (4) An application must demonstrate local match and local  
17 participation, in accordance with guidelines developed by the board.

18 (5) An application must be approved by the political subdivision  
19 and supported by the local associate development organization or local  
20 workforce development council or approved by the governing body of the  
21 federally recognized Indian tribe.

22 (6) The board may allow de minimis general system improvements to  
23 be funded if they are critically linked to the viability of the  
24 project.

25 ~~(7) ((An application must demonstrate convincing evidence that the  
26 median hourly wage of the private sector jobs created after the project  
27 is completed will exceed the countywide median hourly wage.~~

28 ~~(8))~~) The board shall prioritize each proposed project according  
29 to:

30 (a) When considering construction projects, the board shall first  
31 consider whether an application demonstrates convincing evidence that  
32 the annual average wage of the private sector jobs created after the  
33 project is completed will meet or exceed the countywide annual average  
34 private sector wage. In addition, in rural counties that have federal  
35 contract employment over ten thousand, when calculating the private  
36 sector jobs created or retained, the board shall compare the project's  
37 private sector jobs against the private sector average annual wage of  
38 employment not under federal contract;

1        (b) The relative benefits provided to the community by the jobs the  
2 project would create, not just the total number of jobs it would create  
3 after the project is completed, but also giving consideration to the  
4 unemployment rate in the area in which the jobs would be located;

5        ~~((b))~~ (c) The rate of return of the state's investment,  
6 including, but not limited to, the leveraging of private sector  
7 investment, anticipated job creation and retention, and expected  
8 increases in state and local tax revenues associated with the project;

9        ~~((e))~~ (d) Whether the proposed project offers a health insurance  
10 plan for employees that includes an option for dependents of employees;

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

18        ~~((e))~~ (f) Whether the applicant has developed and adhered to  
19 guidelines regarding its permitting process for those applying for  
20 development permits consistent with section 1(2), chapter 231, Laws of  
21 2007.

22        ~~((9))~~ (8) A responsible official of the political subdivision or  
23 the federally recognized Indian tribe shall be present during board  
24 deliberations and provide information that the board requests.

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

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