
HOUSE BILL 1377

State of Washington 61st Legislature 2009 Regular Session

By Representatives Klippert, Haler, Angel, and Walsh

Read first time 01/20/09. Referred to Committee on Community & Economic Development & Trade.

1 AN ACT Relating to the authority of towns, cities, and counties to
2 form public facilities districts for recreational facilities when one
3 or more of the towns, cities, or counties have previously formed public
4 facility districts; amending RCW 35.57.010 and 82.14.048; and
5 reenacting and amending RCW 35.57.020.

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

7 **Sec. 1.** RCW 35.57.010 and 2007 c 486 s 1 are each amended to read
8 as follows:

9 (1)(a) The legislative authority of any town or city located in a
10 county with a population of less than one million may create a public
11 facilities district.

12 (b) The legislative authorities of any contiguous group of towns or
13 cities located in a county or counties each with a population of less
14 than one million may enter an agreement under chapter 39.34 RCW for the
15 creation and joint operation of a public facilities district.

16 (c) The legislative authority of any town or city, or any
17 contiguous group of towns or cities, located in a county with a
18 population of less than one million and the legislative authority of a
19 contiguous county, or the legislative authority of the county or

1 counties in which the towns or cities are located, may enter into an
2 agreement under chapter 39.34 RCW for the creation and joint operation
3 of a public facilities district.

4 (d) The legislative authority of a city located in a county with a
5 population greater than one million may create a public facilities
6 district, when the city has a total population of less than one hundred
7 fifteen thousand but greater than eighty thousand and commences
8 construction of a regional center prior to July 1, 2008.

9 (e) The legislative authorities of any contiguous group of towns or
10 cities, or the legislative authorities of any contiguous group of towns
11 or cities and the legislative authority of the county or counties in
12 which those towns or cities are located, may enter into an agreement
13 under chapter 39.34 RCW for the creation and operation of a public
14 facilities district notwithstanding the fact that one or more of those
15 towns, cities, or counties previously have formed one or more public
16 facilities districts within the geographic boundaries of the additional
17 public facilities district. Those existing districts may continue
18 their full corporate existence and activities notwithstanding the
19 creation and existence of the additional district within all or part of
20 the same geographic area.

21 (2)(a) A public facilities district shall be coextensive with the
22 boundaries of the city or town or contiguous group of cities or towns
23 that created the district.

24 (b) A public facilities district created by an agreement between a
25 town or city, or a contiguous group of towns or cities, and a
26 contiguous county or the county in which they are located, shall be
27 coextensive with the boundaries of the towns or cities, and the
28 boundaries of the county or counties as to the unincorporated areas of
29 the county or counties. The boundaries shall not include incorporated
30 towns or cities that are not parties to the agreement for the creation
31 and joint operation of the district.

32 (3)(a) A public facilities district created by a single city or
33 town shall be governed by a board of directors consisting of five
34 members selected as follows: (i) Two members appointed by the
35 legislative authority of the city or town; and (ii) three members
36 appointed by legislative authority based on recommendations from local
37 organizations. The members appointed under (a)(i) of this subsection,
38 shall not be members of the legislative authority of the city or town.

1 The members appointed under (a)(ii) of this subsection, shall be based
2 on recommendations received from local organizations that may include,
3 but are not limited to the local chamber of commerce, local economic
4 development council, and local labor council. The members shall serve
5 four-year terms. Of the initial members, one must be appointed for a
6 one-year term, one must be appointed for a two-year term, one must be
7 appointed for a three-year term, and the remainder must be appointed
8 for four-year terms.

9 (b) A public facilities district created by a contiguous group of
10 cities and towns shall be governed by a board of directors consisting
11 of seven members selected as follows: (i) Three members appointed by
12 the legislative authorities of the cities and towns; and (ii) four
13 members appointed by the legislative (~~authority~~) authorities of the
14 cities and towns based on recommendations from local organizations.
15 The members appointed under (b)(i) of this subsection shall not be
16 members of the legislative authorities of the cities and towns. The
17 members appointed under (b)(ii) of this subsection, shall be based on
18 recommendations received from local organizations that include, but are
19 not limited to the local chamber of commerce, local economic
20 development council, local labor council, and a neighborhood
21 organization that is directly affected by the location of the regional
22 center in their area. The members of the board of directors shall be
23 appointed in accordance with the terms of the agreement under chapter
24 39.34 RCW for the joint operation of the district and shall serve four-
25 year terms. Of the initial members, one must be appointed for a one-
26 year term, one must be appointed for a two-year term, one must be
27 appointed for a three-year term, and the remainder must be appointed
28 for four-year terms.

29 (c) A public facilities district created by a town or city, or a
30 contiguous group of towns or cities, and a contiguous county or the
31 county or counties in which they are located, shall be governed by a
32 board of directors consisting of seven members selected as follows:
33 (i) Three members appointed by the legislative authorities of the
34 cities, towns, and county; and (ii) four members appointed by the
35 legislative (~~authority~~) authorities of the cities, towns, and county
36 based on recommendations from local organizations. The members
37 appointed under (c)(i) of this subsection shall not be members of the
38 legislative authorities of the cities, towns, or county. The members

1 appointed under (c)(ii) of this subsection shall be based on
2 recommendations received from local organizations that include, but are
3 not limited to, the local chamber of commerce, the local economic
4 development council, the local labor council, and a neighborhood
5 organization that is directly affected by the location of the regional
6 center in their area. The members of the board of directors shall be
7 appointed in accordance with the terms of the agreement under chapter
8 39.34 RCW for the joint operation of the district and shall serve four-
9 year terms. Of the initial members, one must be appointed for a one-
10 year term, one must be appointed for a two-year term, one must be
11 appointed for a three-year term, and the remainder must be appointed
12 for four-year terms.

13 (d) A public facilities district created under subsection (1)(e) of
14 this section may provide in the agreement providing for its creation
15 and operation, that the district must be governed by a board of
16 directors appointed under (b) or (c) of this subsection, or by a board
17 of directors of not more than nine members who are also members of the
18 legislative authorities or governing boards of the governmental
19 entities creating that public facilities district or the public
20 facilities districts, or both, previously formed by those governmental
21 entities.

22 (4) A public facilities district is a municipal corporation, an
23 independent taxing "authority" within the meaning of Article VII,
24 section 1 of the state Constitution, and a "taxing district" within the
25 meaning of Article VII, section 2 of the state Constitution.

26 (5) A public facilities district shall constitute a body corporate
27 and shall possess all the usual powers of a corporation for public
28 purposes as well as all other powers that may now or hereafter be
29 specifically conferred by statute, including, but not limited to, the
30 authority to hire employees, staff, and services, to enter into
31 contracts, and to sue and be sued.

32 (6) A public facilities district may acquire and transfer real and
33 personal property by lease, sublease, purchase, or sale. No direct or
34 collateral attack on any public facilities district purported to be
35 authorized or created in conformance with this chapter may be commenced
36 more than thirty days after creation by the city and/or county
37 legislative authority.

1 **Sec. 2.** RCW 35.57.020 and 2002 c 363 s 2 and 2002 c 218 s 25 are
2 each reenacted and amended to read as follows:

3 (1) A public facilities district is authorized to acquire,
4 construct, own, remodel, maintain, equip, reequip, repair, finance, and
5 operate one or more regional centers. For purposes of this chapter,
6 "regional center" means a convention, conference, or special events
7 center, recreation facility other than a ski area, or any combination
8 of facilities, and related parking facilities, serving a regional
9 population constructed, improved, or rehabilitated after July 25, 1999,
10 at a cost of at least ten million dollars, including debt service.
11 "Regional center" also includes an existing convention, conference, or
12 special events center, and related parking facilities, serving a
13 regional population, that is improved or rehabilitated after July 25,
14 1999, where the costs of improvement or rehabilitation are at least ten
15 million dollars, including debt service. A "special events center" is
16 a facility, available to the public, used for community events,
17 sporting events, trade shows, and artistic, musical, theatrical, or
18 other cultural exhibitions, presentations, or performances. A regional
19 center is conclusively presumed to serve a regional population if state
20 and local government investment in the construction, improvement, or
21 rehabilitation of the regional center is equal to or greater than ten
22 million dollars.

23 (2) A public facilities district may enter into contracts with any
24 city or town for the purpose of exercising any powers of a community
25 renewal agency under chapter 35.81 RCW.

26 (3) A public facilities district may impose charges and fees for
27 the use of its facilities, and may accept and expend or use gifts,
28 grants, and donations for the purpose of a regional center.

29 (4) A public facilities district may impose charges, fees, and
30 taxes authorized in RCW 35.57.040, and use revenues derived therefrom
31 for the purpose of paying principal and interest payments on bonds
32 issued by the public facilities district to construct a regional
33 center.

34 (5) Notwithstanding the establishment of a career, civil, or merit
35 service system, a public facilities district may contract with a public
36 or private entity for the operation or management of its public
37 facilities.

1 (6) A public facilities district is authorized to use the
2 supplemental alternative public works contracting procedures set forth
3 in chapter 39.10 RCW in connection with the design, construction,
4 reconstruction, remodel, or alteration of any regional center.

5 (7) A city or town in conjunction with any special agency,
6 authority, or other district established by a county or any other
7 governmental agency is authorized to use the supplemental alternative
8 public works contracting procedures set forth in chapter 39.10 RCW in
9 connection with the design, construction, reconstruction, remodel, or
10 alteration of any regional center funded in whole or in part by a
11 public facilities district.

12 **Sec. 3.** RCW 82.14.048 and 2008 c 86 s 103 are each amended to read
13 as follows:

14 (1) The governing board of a public facilities district under
15 chapter 36.100 or 35.57 RCW may submit an authorizing proposition to
16 the voters of the district, and if the proposition is approved by a
17 majority of persons voting, impose a sales and use tax in accordance
18 with the terms of this chapter.

19 (2) The tax authorized in this section shall be in addition to any
20 other taxes authorized by law and shall be collected from those persons
21 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
22 the occurrence of any taxable event within the public facilities
23 district. The rate of tax shall not exceed two-tenths of one percent
24 of the selling price in the case of a sales tax, or value of the
25 article used, in the case of a use tax. A public facilities district
26 formed under RCW 35.57.010(1)(e) may not impose the tax authorized
27 under this subsection at a rate that exceeds two-tenths of one percent
28 minus the rate of the highest tax authorized by this subsection that is
29 imposed by any other public facilities district within its boundaries.
30 If a public facilities district formed under RCW 35.57.010(1)(e) has
31 imposed a tax under this subsection and issued or incurred obligations
32 pledging that tax, so long as those obligations are outstanding no
33 other public facilities district within its boundaries may thereafter
34 impose a tax under this subsection at a rate that would reduce the rate
35 of the tax that was pledged to the repayment of those obligations.

36 (3) Moneys received from any tax imposed under the authority of
37 this section shall be used for the purpose of providing funds for the

1 costs associated with the financing, design, acquisition, construction,
2 equipping, operating, maintaining, remodeling, repairing, and
3 reequipping of its public facilities.

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