
HOUSE BILL 1952

State of Washington

61st Legislature

2009 Regular Session

By Representatives Kenney, Ormsby, Blake, Flannigan, Maxwell, Pettigrew, Springer, Hudgins, Liiias, Morrell, White, Conway, Hasegawa, Chase, Sullivan, Dickerson, Wood, and Santos

Read first time 02/04/09. Referred to Committee on Community & Economic Development & Trade.

1 AN ACT Relating to the building communities fund program
2 competitive process; and amending RCW 43.63A.125.

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

4 **Sec. 1.** RCW 43.63A.125 and 2008 c 327 s 15 are each amended to
5 read as follows:

6 (1) The department shall establish the building communities fund
7 program. Under the program, capital and technical assistance grants
8 may be made to nonprofit organizations for acquiring, constructing, or
9 rehabilitating facilities used for the delivery of nonresidential
10 community services, including social service centers and multipurpose
11 community centers, including those serving a distinct or ethnic
12 population. Such facilities must be located in a distressed community
13 or serve a substantial number of low-income or disadvantaged persons.

14 (2) The department shall establish a competitive process to solicit
15 and evaluate applications for the building communities fund program as
16 follows:

17 (a) The department shall conduct a statewide solicitation of
18 project applications from nonprofit organizations.

1 (b) The department shall evaluate applications in consultation with
2 a citizen advisory committee using objective criteria. To be
3 considered qualified, applicants must demonstrate that the proposed
4 project:

5 (i) Will increase the range, efficiency, or quality of the services
6 provided to citizens;

7 (ii) Will be located in a distressed community or will serve a
8 substantial number of low-income or disadvantaged persons;

9 (iii) Will offer three or more distinct activities that meet a
10 single community service objective or offer a diverse set of activities
11 that meet multiple community service objectives, including but not
12 limited to: Providing social services; expanding employment
13 opportunities for or increasing the employability of community
14 residents; or offering educational or recreational opportunities
15 separate from the public school system or private schools, as long as
16 recreation is not the sole purpose of the facility;

17 (iv) Reflects a long-term vision for the development of the
18 community, shared by residents, businesses, leaders, and partners;

19 (v) Requires state funding to accomplish a discrete, usable phase
20 of the project;

21 (vi) Is ready to proceed and will make timely use of the funds;

22 (vii) Is sponsored by one or more entities that have the
23 organizational and financial capacity to fulfill the terms of the grant
24 agreement and to maintain the project into the future;

25 (viii) Fills an unmet need for community services;

26 (ix) Will achieve its stated objectives; and

27 (x) Is a community priority as shown through tangible commitments
28 of existing or future assets made to the project by community
29 residents, leaders, businesses, and government partners.

30 (c) The evaluation process shall also include an examination of
31 existing assets that applicants may apply to projects. Grant
32 assistance under this section shall not exceed twenty-five percent of
33 the total cost of the project, except, under exceptional circumstances,
34 the department may reduce the amount of nonstate match required. For
35 purposes of this subsection, exceptional circumstances include but are
36 not limited to: Natural disasters affecting projects; emergencies
37 beyond an applicant's control, such as a fire or an unanticipated loss
38 of a lease where services are currently provided; a delay that could

1 result in a threat to public health or safety; or instances where a
2 local community could quantifiably demonstrate that they had exhausted
3 all possible fund-raising efforts. The nonstate portion of the total
4 project cost may include cash, the value of real property when acquired
5 solely for the purpose of the project, and in-kind contributions.

6 (d) The department may not set a monetary limit to funding
7 requests.

8 (3) The department shall submit annually to the governor and the
9 legislature in the department's capital budget request an unranked list
10 of the qualified eligible projects for which applications were
11 received. The list must include a description of each project, its
12 total cost, and the amount of state funding requested. The appropriate
13 fiscal committees of the legislature shall use this list to determine
14 building communities fund projects that may receive funding in the
15 capital budget. The total amount of state capital funding available
16 for all projects on the annual list shall be determined by the capital
17 budget beginning with the 2009-2011 biennium and thereafter. In
18 addition, if cash funds have been appropriated, up to three million
19 dollars may be used for technical assistance grants. The department
20 shall not sign contracts or otherwise financially obligate funds under
21 this section until the legislature has approved a specific list of
22 projects.

23 (4) In addition to the list of qualified eligible projects, the
24 department shall submit to the appropriate fiscal committees of the
25 legislature a summary report that describes the solicitation and
26 evaluation processes, including but not limited to the number of
27 applications received, the total amount of funding requested, issues
28 encountered, if any, and any recommendations for process improvements.

29 (5) After the legislature has approved a specific list of projects
30 in law, the department shall develop and manage appropriate contracts
31 with the selected applicants; monitor project expenditures and grantee
32 performance; report project and contract information; and exercise due
33 diligence and other contract management responsibilities as required.

34 (6) In contracts for grants authorized under this section the
35 department shall include provisions which require that capital
36 improvements shall be held by the grantee for a specified period of
37 time appropriate to the amount of the grant and that facilities shall
38 be used for the express purpose of the grant. If the grantee is found

1 to be out of compliance with provisions of the contract, the grantee
2 shall repay to the state general fund the principal amount of the grant
3 plus interest calculated at the rate of interest on state of Washington
4 general obligation bonds issued most closely to the date of
5 authorization of the grant.

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