

SHB 1497 - H AMD 736

By Representative Kenney

WITHDRAWN 05/25/2011

1 On page 220, after line 21, insert the following:

2 "Sec. 7028. RCW 43.63A.125 and 2008 c 327 s 15 are each amended to
3 read as follows:

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

12 (2) The department shall establish a competitive process to solicit
13 ~~((and)),~~ evaluate, and rank applications for the building communities
14 fund program as follows:

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

17 (b) The department shall evaluate and rank applications in
18 consultation with a citizen advisory committee using objective
19 criteria. To be considered qualified, applicants must demonstrate that
20 the proposed project:

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

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

25 (iii) Will offer three or more distinct activities that meet a
26 single community service objective or offer a diverse set of activities
27 that meet multiple community service objectives, including but not
28 limited to: Providing social services; expanding employment
29 opportunities for or increasing the employability of community

1 residents; or offering educational or recreational opportunities
2 separate from the public school system or private schools, as long as
3 recreation is not the sole purpose of the facility;

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

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

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

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

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

13 (ix) Will achieve its stated objectives; and

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

17 (c) The evaluation and ranking process shall also include an
18 examination of existing assets that applicants may apply to projects.
19 Grant assistance under this section shall not exceed twenty-five
20 percent of the total cost of the project, except, under exceptional
21 circumstances, the department may reduce the amount of nonstate match
22 required. No more than ten percent of the total granted amount may be
23 awarded to qualified eligible projects that meet the definition of
24 exceptional circumstances defined in this subsection. For purposes of
25 this subsection, exceptional circumstances include but are not limited
26 to: Natural disasters affecting projects; emergencies beyond an
27 applicant's control, such as a fire or an unanticipated loss of a lease
28 where services are currently provided; or a delay that could result in
29 a threat to public health or safety. The nonstate portion of the total
30 project cost may include cash, the value of real property when acquired
31 solely for the purpose of the project, and in-kind contributions.

32 (d) The department may not set a monetary limit to funding
33 requests.

34 (3) The department shall submit (~~annually~~) biennially to the
35 governor and the legislature in the department's capital budget request
36 (~~an unranked~~) a ranked list of the qualified eligible projects for
37 which applications were received. The list must include a description
38 of each project, its total cost, and the amount of state funding

1 requested. The appropriate fiscal committees of the legislature shall
2 use this list to determine building communities fund projects that may
3 receive funding in the capital budget. The total amount of state
4 capital funding available for all projects on the (~~annual~~) biennial
5 list shall be determined by the capital budget beginning with the 2009-
6 2011 biennium and thereafter. In addition, if cash funds have been
7 appropriated, up to three million dollars may be used for technical
8 assistance grants. The department shall not sign contracts or
9 otherwise financially obligate funds under this section until the
10 legislature has approved a specific list of projects.

11 (4) In addition to the list of ranked qualified eligible projects,
12 the department shall submit to the appropriate fiscal committees of the
13 legislature a summary report that describes the solicitation and
14 evaluation processes, including but not limited to the number of
15 applications received, the total amount of funding requested, issues
16 encountered, if any, and any recommendations for process improvements.

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

22 (6) In contracts for grants authorized under this section the
23 department shall include provisions which require that capital
24 improvements shall be held by the grantee for a specified period of
25 time appropriate to the amount of the grant and that facilities shall
26 be used for the express purpose of the grant. If the grantee is found
27 to be out of compliance with provisions of the contract, the grantee
28 shall repay to the state general fund the principal amount of the grant
29 plus interest calculated at the rate of interest on state of Washington
30 general obligation bonds issued most closely to the date of
31 authorization of the grant."

32 Renumber the remaining sections consecutively, correct any internal
33 references accordingly, and correct the title.

34 On page 227, line 17, after "7026" insert "and 7028"

EFFECT: Requires the Department of Commerce to rank Building

Communities Fund proposals, in addition to soliciting and evaluating them. Requires the Department to submit a ranked list biennially, not annually, in its capital budget request to the Governor and Legislature. Allows consideration of a project if the applicant can demonstrate that it offers three or more distinct activities that meet a single community service objective. Allows the Department to use up to 10 percent of the total granted funds to reduce the 75 percent nonstate match requirement for qualified projects that meet the definition of exceptional circumstances.

FISCAL IMPACT: None.

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