

---

HOUSE BILL 1440

---

State of Washington                      62nd Legislature                      2011 Regular Session

By Representatives Kenney, Ryu, Lias, and Hasegawa

Read first time 01/21/11.      Referred to Committee on Community Development & Housing.

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, and rank applications for the building communities  
16 fund program as follows:

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

1 (b) The department shall evaluate and rank applications in  
2 consultation with a citizen advisory committee using objective  
3 criteria. To be considered qualified, applicants must demonstrate that  
4 the proposed 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 and ranking process shall also include an  
31 examination of existing assets that applicants may apply to projects.  
32 Grant assistance under this section shall not exceed twenty-five  
33 percent of the total cost of the project, except, under exceptional  
34 circumstances, the department may reduce the amount of nonstate match  
35 required. No more than ten percent of the total granted amount may be  
36 awarded to qualified eligible projects that meet the definition of  
37 exceptional circumstances defined in this subsection. For purposes of  
38 this subsection, exceptional circumstances include but are not limited

1 to: Natural disasters affecting projects; emergencies beyond an  
2 applicant's control, such as a fire or an unanticipated loss of a lease  
3 where services are currently provided; a delay that could result in a  
4 threat to public health or safety; or instances where a local community  
5 could quantifiably demonstrate that they had exhausted all possible  
6 fund-raising efforts. The nonstate portion of the total project cost  
7 may include cash, the value of real property when acquired solely for  
8 the purpose of the project, and in-kind contributions.

9 (d) The department may not set a monetary limit to funding  
10 requests.

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

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

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

37 (6) In contracts for grants authorized under this section the  
38 department shall include provisions which require that capital

1 improvements shall be held by the grantee for a specified period of  
2 time appropriate to the amount of the grant and that facilities shall  
3 be used for the express purpose of the grant. If the grantee is found  
4 to be out of compliance with provisions of the contract, the grantee  
5 shall repay to the state general fund the principal amount of the grant  
6 plus interest calculated at the rate of interest on state of Washington  
7 general obligation bonds issued most closely to the date of  
8 authorization of the grant.

--- END ---