

# SENATE BILL REPORT

## SHB 2583

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As Reported by Senate Committee On:  
Trade & Economic Development, February 24, 2016

**Title:** An act relating to authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington arts commission.

**Brief Description:** Authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington arts commission.

**Sponsors:** House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives McBride, Haler, Zeiger, Stambaugh, Moscoso, Bergquist, Fitzgibbon, Peterson, Van De Wege, Springer, Santos, Goodman, Hickel and Tharinger).

**Brief History:** Passed House: 2/17/16, 90-8.

**Committee Activity:** Trade & Economic Development: 2/24/16, 2/24/16 [DP-WM, w/oRec].

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### SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Brown, Chair; Chase, Ranking Minority Member; Angel, Carlyle, Ericksen and McCoy.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Braun, Vice Chair.

**Staff:** Jeff Olsen (786-7428)

**Background:** The Washington Arts Commission (Commission) was established to promote the conservation and development of the state's artistic resources. The Commission is composed of 19 members appointed by the Governor and four members of the Legislature, one from each major caucus in the House of Representatives and the Senate. The Commission has authority to sponsor and administer activities or programs related to the growth and development of the arts and humanities and make recommendations for the cultural development of Washington State.

**Summary of Bill:** The bill contains legislative findings stating that creative districts, a designated mixed-use area with a high concentration of cultural facilities, are a highly adaptive economic development tool that address the needs of many different types of

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communities. The Commission may certify a creative district that includes an area designated by a city or county containing a hub of cultural facilities, creative industries, or arts-related businesses. The creative district must be:

- geographically contiguous;
- distinguished by physical, artistic and cultural resources that play a vital role in the quality and life of a community;
- the site of a concentration of artistic or cultural activity; and
- engaged in the promotional, preservation, and educational aspects of the arts and culture in a community.

The Commission may require additional eligibility criteria at its discretion. A creative district also may include vacant property in proximity to the artistic activities that is suitable for similar development.

The city, town, or county seeking certification of a creative district must submit an application for review by the Commission. The Commission may approve or reject the application, and include terms and conditions upon approval. The Commission may revoke certification for a city or county's failure to comply with the conditions of approval.

A Commission employee is designated coordinator to administer the creative district certification program, including reviewing applications, developing policies and standards, and overseeing compliance. The coordinator also identifies public and private resources and incentives to support and enhance development within the districts. The Commission may offer incentives to a certified creative district to encourage business, facilitate connections to state economic development assistance, enhance the visibility of state-certified creative districts, and provide technical assistance and planning aid.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The arts in a community can generate economic development and revitalize downtown areas. Having the ability to designate areas for creative districts provides another tool in the toolbox for economic development practitioners. Colorado has a similar program that has proven to be very successful in generating revenues and attracting visitors. Thurston County has been tracking economic vitality and recognized that the arts continued to grow during the recent recession. By focusing on growing the arts a community can create jobs and leverage other growth opportunities.

**Persons Testifying:** PRO: Representative Haler; Doug Levy, Western States Arts Federation; Cities of Everett, Puyallup, Redmond; Michael Cade, Executive Director, Thurston Economic Development Council.

**Persons Signed In To Testify But Not Testifying:** No one.