HOUSE BILL 2583

State of Washington 64th Legislature 2016 Regular Session

By Representatives McBride, Haler, Zeiger, Stambaugh, Moscoso, Bergquist, Fitzgibbon, Peterson, Van De Wege, Springer, Santos, Goodman, Hickel, and Tharinger

Read first time 01/15/16. Referred to Committee on Community Development, Housing & Tribal Affairs.

- 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; adding new sections to chapter 43.46 RCW; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 7 (a) A creative district is a designated, geographical, mixed-use 8 area of a community in which a high concentration of cultural 9 facilities, creative businesses, or arts-related businesses serve as 10 the anchor of attraction.
- 11 (b) In certain cases, multiple vacant properties in close 12 proximity may exist within a community that would be suitable for 13 redevelopment as a creative district.
- 14 (c) Creative districts are a highly adaptable economic 15 development tool that is able to take a community's unique 16 conditions, assets, needs, and opportunities into account and thereby 17 address the needs of large, small, rural, and urban areas.
- 18 (d) Creative districts may be home to both nonprofit and for-19 profit creative industries and organizations.
- 20 (e) The arts and culture transcend boundaries of race, age, 21 gender, language, and social status.

p. 1 HB 2583

1 (f) Creative districts promote and improve communities in 2 particular and the state more generally in many ways. Specifically, 3 such districts:

- (i) Attract artists and creative entrepreneurs to a community and thereby infuse the community with energy and innovation and enhance the economic and civic capital of the community;
- (ii) Create a hub of economic activity that helps an area become an appealing place to live, visit, and conduct business, complements adjacent businesses, creates new economic opportunities and jobs in both the cultural sector and other local industries, and attracts new businesses and assists in the recruitment of employees;
- (iii) Establish marketable tourism assets that highlight the distinct identity of communities, attract in-state, out-of-state, and international visitors, and become especially attractive destinations for cultural, recreational, and business travelers;
- (iv) Revitalize and beautify neighborhoods, cities, and larger regions, reverse urban decay, promote the preservation of historic buildings, and facilitate a healthy mixture of business and residential activity that contributes to reduced vacancy rates and enhanced property values;
- (v) Provide a focal point for celebrating and strengthening a community's unique cultural identity, providing communities with opportunities to highlight existing cultural amenities as well as mechanisms to recruit and establish new artists, creative industries, and organizations; and
- (vi) Enhance property values. Successful creative districts combine improvements to public spaces such as parks, waterfronts, and pedestrian corridors, alongside property development. The redevelopment of abandoned properties and historic sites and recruiting businesses to occupy vacant spaces can also contribute to reduced vacancy rates and enhanced property values.
- (2) It is the intent of the legislature that the state provide leadership and a helping hand to local communities desirous of creating their own creative districts by, among other things, certifying districts, offering available incentives to encourage business development, exploring new incentives that are directly related to creative enterprises, facilitating local access to state assistance, enhancing the visibility of creative districts, providing technical assistance and planning help, ensuring broad and equitable program benefits, and fostering a supportive climate for the arts and

p. 2 HB 2583

- 1 culture, thereby contributing to the development of healthy
- 2 communities across the state and improving the quality of life of the
- 3 state's residents.

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- MEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
 - (1) "Commission" means the Washington state arts commission.
- 8 (2) "Coordinator" means the employee of the Washington state arts
 9 commission who is responsible for performing the specific tasks under
 10 section 5 of this act.
 - (3) "Creative district" means a land area designated by a local government in accordance with section 3 of this act that contains either a hub of cultural facilities, creative industries, or artsrelated businesses, or multiple vacant properties in close proximity that would be suitable for redevelopment as a creative district.
 - (4) "Local government" means a city, county, or town.
- 17 (5) "State-certified creative district" means a creative district
 18 whose application for certification has been approved by the
 19 commission.
- NEW SECTION. Sec. 3. (1) A local government may designate a creative district within its territorial boundaries subject to certification as a state-certified creative district by the commission. Two or more local governments may jointly apply for certification of a creative district that extends across a common boundary.
- 26 (2) In order to receive certification as a state-certified 27 creative district, a creative district must:
 - (a) Be a geographically contiguous area;
- 29 (b) Be distinguished by physical, artistic, or cultural resources 30 that play a vital role in the quality and life of a community, 31 including its economic and cultural development;
- 32 (c) Be the site of a concentration of artistic or cultural 33 activity, a major arts or cultural institution or facility, arts and 34 entertainment businesses, an area with arts and cultural activities, 35 or artistic or cultural production;
- 36 (d) Be engaged in the promotional, preservation, and educational 37 aspects of the arts and culture of the community and contribute to

p. 3 HB 2583

1 the public through interpretive, educational, or recreational uses;
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- (e) Satisfy any additional criteria required by the commission that in its discretion will further the purposes of sections 2 through 5 of this act. Any additional eligibility criteria must be posted by the commission on its public web site.
- (3) The commission may grant certification to a creative district that does not qualify for certification under subsection (2) of this section if the land area proposed for certification contains multiple vacant properties in close proximity that would be suitable, as determined by the commission, for redevelopment as a creative district.
- NEW SECTION. Sec. 4. (1) The commission must create a process for review of applications submitted by local governments for certification of state-certified creative districts. The application must be submitted on a standard form developed and approved by the commission.
 - (2) After reviewing an application for certification, the commission must approve or reject the application or return it to the applicant with a request for changes or additional information. The commission may request that an applicant provide relevant information supporting an application. Rejected applicants may reapply at any time in coordination with program guidelines.
 - (3) Certification must be based upon the criteria specified in section 3 of this act.
 - (4) If the commission approves an application for certification, it must notify the applicant in writing and must specify the terms and conditions of the commission's approval, including the terms and conditions set forth in the application and as modified by written agreement between the applicant and the commission.
- 31 (5) Upon approval by the commission of an application for 32 certification, a creative district becomes a state-certified creative 33 district with all of the attendant benefits under sections 2 through 34 5 of this act.
- 35 (6) The commission may revoke a certification previously granted 36 for failure by a local government to comply with the requirements of 37 this section or an agreement executed pursuant to this section.
 - (7) In addition to any powers explicitly granted to the commission under sections 2 through 5 of this act, the commission is

p. 4 HB 2583

- granted such additional powers as are necessary to carry out the purposes of sections 2 through 5 of this act. Where authorized by law, such powers may include offering incentives to state-certified creative districts to encourage business development, exploring new incentives that are directly related to creative enterprises, facilitating local access to state economic development assistance, enhancing the visibility of state-certified creative districts, providing state-certified creative districts with technical assistance and planning aid, ensuring broad and equitable program benefits, and fostering a supportive climate for the arts and culture within the state.
 - (8) The creation of a district under this section may not be used to prohibit any particular business or the development of residential real property within the boundaries of the district or to impose a burden on the operation or use of any particular business or parcel of residential real property located within the boundaries of the district.

NEW SECTION. Sec. 5. The coordinator must:

- (1) Review applications for certification and make a recommendation to the commission for action;
- 21 (2) Administer and promote the application process for the 22 certification of creative districts;
 - (3) With the approval of the commission, develop standards and policies for the certification of state-certified creative districts. Any approved standards and policies must be posted on the commission's public web site;
 - (4) Require periodic written reports from any state-certified creative district for the purpose of reviewing the activities of the district, including the compliance of the district with the policies and standards developed under this section and with the conditions of an approved application for certification;
 - (5) Identify available public and private resources, including any applicable economic development incentives and other tools, that support and enhance the development and maintenance of creative districts and, with the assistance of the commission, ensure that such programs and services are accessible to creative districts; and
 - (6) With the approval of the commission, develop such additional procedures as may be necessary to administer this section. Any

p. 5 HB 2583

- 1 approved procedures must be posted on the commission's public web
- 2 site.
- NEW SECTION. Sec. 6. Sections 2 through 5 of this act are each added to chapter 43.46 RCW.

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p. 6 HB 2583