

ESSB 5473 - H COMM AMD

By Committee on Community & Economic Development & Trade

ADOPTED 04/15/2009

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 43.157.005 and 1997 c 369 s 1 are each amended to
4 read as follows:

5 The legislature declares that certain (~~industrial~~) investments,
6 such as investments for industrial development, environmental
7 improvement, and innovation activities, merit special designation and
8 treatment by governmental bodies when they are proposed. Such
9 investments bolster the economies of their locale and impact the
10 economy of the state as a whole. It is the intention of the
11 legislature to recognize (~~industrial~~) projects of statewide
12 significance and to encourage local governments and state agencies to
13 expedite their completion.

14 **Sec. 2.** RCW 43.157.010 and 2004 c 275 s 63 are each amended to
15 read as follows:

16 (~~(1)~~) For purposes of this chapter and RCW 28A.525.166,
17 28B.76.210, 28C.18.080, 43.21A.350, (~~47.06.030,~~) and 90.58.100 (~~and~~
18 ~~an industrial~~), unless the context requires otherwise:

19 (1)(a) A project of statewide significance is:

20 (i) A border crossing project that involves both private and public
21 investments carried out in conjunction with adjacent states or
22 provinces;

23 (ii) A development project that will provide a net environmental
24 benefit;

25 (iii) A development project in furtherance of the commercialization
26 of innovations; or

27 (iv) A private industrial development with private capital
28 investment in manufacturing or research and development.

1 **(b)** To qualify for designation under RCW 43.157.030 as ~~((an~~
2 ~~industrial))~~ a project of statewide significance: ~~((+a))~~

3 **(i)** The project must be completed after January 1, ~~((1997))~~ 2009;
4 ~~((+b))~~

5 **(ii)** The applicant must submit an application to the department for
6 designation as ~~((an industrial))~~ a project of statewide significance to
7 the department of community, trade, and economic development; and
8 ~~((+c))~~

9 **(iii)** The project must have:

10 ~~((+i))~~ **(A)** In counties with a population ~~((of))~~ less than or equal
11 to twenty thousand, a capital investment of ~~((twenty))~~ five million
12 dollars;

13 ~~((+ii))~~ **(B)** In counties with a population ~~((of))~~ greater than
14 twenty thousand but no more than fifty thousand, a capital investment
15 of ~~((fifty))~~ ten million dollars;

16 ~~((+iii))~~ **(C)** In counties with a population ~~((of))~~ greater than
17 fifty thousand but no more than one hundred thousand, a capital
18 investment of ~~((one hundred))~~ fifteen million dollars;

19 ~~((+iv))~~ **(D)** In counties with a population ~~((of))~~ greater than one
20 hundred thousand but no more than two hundred thousand, a capital
21 investment of ~~((two hundred))~~ twenty million dollars;

22 ~~((+v))~~ **(E)** In counties with a population ~~((of))~~ greater than two
23 hundred thousand but no more than four hundred thousand, a capital
24 investment of ~~((four hundred))~~ thirty million dollars;

25 ~~((+vi))~~ **(F)** In counties with a population ~~((of))~~ greater than four
26 hundred thousand but no more than one million, a capital investment of
27 ~~((six hundred))~~ forty million dollars;

28 ~~((+vii))~~ **(G)** In counties with a population ~~((of))~~ greater than one
29 million, a capital investment of ~~((one billion))~~ fifty million dollars;

30 ~~((+viii))~~ **(H)** In rural counties ~~((with fewer than one hundred~~
31 ~~persons per square mile as determined annually by the office of~~
32 ~~financial management and published by the department of revenue~~
33 ~~effective for the period July 1st through June 30th))~~ as defined by RCW
34 82.14.370, projected full-time employment positions after completion of
35 construction of fifty or greater;

36 ~~((+ix))~~ **(I)** In counties ~~((with one hundred or more persons per~~
37 ~~square mile as determined annually by the office of financial~~
38 ~~management and published by the department of revenue effective for the~~

1 ~~period July 1st through June 30th))~~ other than rural counties as
2 defined by RCW 82.14.370, projected full-time employment positions
3 after completion of construction of one hundred or greater; or

4 ~~((+x+))~~ (J) Been ~~((designated))~~ qualified by the director of
5 ~~((community, trade, and economic development))~~ the department as ~~((an~~
6 ~~industrial))~~ a project of statewide significance either because: ~~((+A)~~
7 ~~Because the county in which the project is to be located is a~~
8 ~~distressed county and))~~

9 (I) The economic circumstances of the county merit the additional
10 assistance such designation will bring; ~~((or +B) because))~~

11 (II) The impact on a region due to the size and complexity of the
12 project merits such designation;

13 (III) The project resulted from or is in furtherance of innovation
14 activities at a public research institution in the state or is in or
15 resulted from innovation activities within an innovation partnership
16 zone; or

17 (IV) The project will provide a net environmental benefit as
18 evidenced by plans for design and construction under green building
19 standards or for the creation of renewable energy technology or
20 components or under other environmental criteria established by the
21 director in consultation with the director of the department of
22 ecology.

23 A project may be qualified under this subsection (1)(b)(iii)(J)
24 only after consultation on the availability of staff resources of the
25 office of regulatory assistance.

26 (2) ~~((The term))~~ "Department" means the department of community,
27 trade, and economic development.

28 (3) "Manufacturing" shall have the meaning assigned it in RCW
29 ~~((82.61.010))~~ 82.62.010.

30 ~~((+3) The term))~~ (4) "Research and development" shall have the
31 meaning assigned it in RCW ~~((82.61.010))~~ 82.62.010.

32 ~~((+4) The term))~~ (5) "Applicant" means a person applying to the
33 department ~~((of community, trade, and economic development))~~ for
34 designation of a development project as ~~((an industrial))~~ a project of
35 statewide significance.

36 **Sec. 3.** RCW 43.157.020 and 2003 c 54 s 2 are each amended to read
37 as follows:

1 Counties and cities with development projects designated as
2 (~~industrial~~) projects of statewide significance within their
3 jurisdictions shall enter into an agreement with the office of
4 (~~permit~~) regulatory assistance and the project managers of
5 (~~industrial~~) projects of statewide significance for expediting the
6 completion of (~~industrial~~) projects of statewide significance. The
7 agreement shall require:

8 (1) Expedited permit processing for the design and construction of
9 the project;

10 (2) Expedited environmental review processing;

11 (3) Expedited processing of requests for street, right-of-way, or
12 easement vacations necessary for the construction of the project;
13 (~~and~~)

14 (4) Participation of local officials on the team assembled under
15 the requirements of RCW 43.157.030(2)(b); and

16 (5) Such other actions or items as are deemed necessary by the
17 office of (~~permit~~) regulatory assistance for the design and
18 construction of the project.

19 **Sec. 4.** RCW 43.157.030 and 2003 c 54 s 3 are each amended to read
20 as follows:

21 (1) The department of community, trade, and economic development
22 shall:

23 (a) Develop an application for designation of development projects
24 as (~~industrial~~) projects of statewide significance. The application
25 must be accompanied by a letter of approval from the legislative
26 authority of any jurisdiction that will have the proposed
27 (~~industrial~~) project of statewide significance within its boundaries.
28 No designation of a project as (~~an industrial~~) a project of statewide
29 significance shall be made without such letter of approval. The letter
30 of approval must state that the jurisdiction joins in the request for
31 the designation of the project as one of statewide significance and has
32 or will hire the professional staff that will be required to expedite
33 the processes necessary to the completion of (~~an industrial~~) a
34 project of statewide significance. The development project proponents
35 may provide the funding necessary for the jurisdiction to hire the
36 professional staff that will be required to so expedite. The
37 application shall contain information regarding the location of the

1 project, the applicant's average employment in the state for the prior
2 year, estimated new employment related to the project, estimated wages
3 of employees related to the project, estimated time schedules for
4 completion and operation, and other information required by the
5 department; and

6 (b) (~~Certify that~~) Designate a development project as a project
7 of statewide significance if the department determines:

8 (i) After review of the application under criteria adopted by rule,
9 the development project will provide significant economic benefit to
10 the local or state economy, or both, the project is aligned with the
11 state's comprehensive plan for economic development under RCW
12 43.162.020, and, by its designation, the project will not prevent equal
13 consideration of all categories of proposals under RCW 43.157.010; and

14 (ii) The development project meets or will meet the requirements of
15 RCW 43.157.010 regarding designation as (~~an industrial~~) a project of
16 statewide significance.

17 (2) The office of (~~permit~~) regulatory assistance shall assign a
18 project facilitator or coordinator to each (~~industrial~~) project of
19 statewide significance to:

20 (a) Assist in the scoping and coordinating functions provided for
21 in chapter 43.42 RCW;

22 (b) Assemble a team of state and local government and private
23 officials to help meet the planning, permitting, and development needs
24 of each project, which team shall include those responsible for
25 planning, permitting and licensing, infrastructure development,
26 workforce development services including higher education,
27 transportation services, and the provision of utilities; and

28 (c) Work with each team member to expedite their actions in
29 furtherance of the project.

30 **Sec. 5.** RCW 28A.525.166 and 2006 c 263 s 311 are each amended to
31 read as follows:

32 Allocations to school districts of state funds provided by RCW
33 28A.525.162 through 28A.525.180 shall be made by the superintendent of
34 public instruction and the amount of state assistance to a school
35 district in financing a school plant project shall be determined in the
36 following manner:

(1) The boards of directors of the districts shall determine the total cost of the proposed project, which cost may include the cost of acquiring and preparing the site, the cost of constructing the building or of acquiring a building and preparing the same for school use, the cost of necessary equipment, taxes chargeable to the project, necessary architects' fees, and a reasonable amount for contingencies and for other necessary incidental expenses: PROVIDED, That the total cost of the project shall be subject to review and approval by the superintendent.

(2) The state matching percentage for a school district shall be computed by the following formula:

The ratio of the school district's adjusted valuation per pupil divided by the ratio of the total state adjusted valuation per pupil shall be subtracted from three, and then the result of the foregoing shall be divided by three plus (the ratio of the school district's adjusted valuation per pupil divided by the ratio of the total state adjusted valuation per pupil).

$$\begin{array}{r}
 \text{District adjusted} \quad \text{Total state} \\
 \text{3-valuation} \quad \div \quad \text{adjusted valuation} \\
 \text{Computed} \quad \text{per pupil} \quad \text{per pupil} \quad \text{State} \\
 \text{State} = \frac{\text{District adjusted} \quad \text{Total state}}{\text{3+valuation} \quad \div \quad \text{adjusted valuation}} = - \% \text{ Assistance} \\
 \text{Ratio} \quad \text{per pupil} \quad \text{per pupil}
 \end{array}$$

PROVIDED, That in the event the percentage of state assistance to any school district based on the above formula is less than twenty percent and such school district is otherwise eligible for state assistance under RCW 28A.525.162 through 28A.525.180, the superintendent may establish for such district a percentage of state assistance not in excess of twenty percent of the approved cost of the project, if the superintendent finds that such additional assistance is necessary to provide minimum facilities for housing the pupils of the district.

(3) In addition to the computed percent of state assistance developed in subsection (2) of this section, a school district shall be entitled to additional percentage points determined by the average percentage of growth for the past three years. One percent shall be added to the computed percent of state assistance for each percent of growth, with a maximum of twenty percent.

1 (4) The approved cost of the project determined in the manner
2 prescribed in this section multiplied by the percentage of state
3 assistance derived as provided for in this section shall be the amount
4 of state assistance to the district for the financing of the project:
5 PROVIDED, That need therefor has been established to the satisfaction
6 of the superintendent: PROVIDED, FURTHER, That additional state
7 assistance may be allowed if it is found by the superintendent,
8 considering policy recommendations from the school facilities citizen
9 advisory panel that such assistance is necessary in order to meet (a)
10 a school housing emergency resulting from the destruction of a school
11 building by fire, the condemnation of a school building by properly
12 constituted authorities, a sudden excessive and clearly foreseeable
13 future increase in school population, or other conditions similarly
14 emergent in nature; or (b) a special school housing burden resulting
15 from ((~~industrial~~)) projects of statewide significance or imposed by
16 virtue of the admission of nonresident students into educational
17 programs established, maintained and operated in conformity with the
18 requirements of law; or (c) a deficiency in the capital funds of the
19 district resulting from financing, subsequent to April 1, 1969, and
20 without benefit of the state assistance provided by prior state
21 assistance programs, the construction of a needed school building
22 project or projects approved in conformity with the requirements of
23 such programs, after having first applied for and been denied state
24 assistance because of the inadequacy of state funds available for the
25 purpose, or (d) a condition created by the fact that an excessive
26 number of students live in state owned housing, or (e) a need for the
27 construction of a school building to provide for improved school
28 district organization or racial balance, or (f) conditions similar to
29 those defined under (a), (b), (c), (d), and (e) of this subsection,
30 creating a like emergency.

31 **Sec. 6.** RCW 28C.18.080 and 1997 c 369 s 5 are each amended to read
32 as follows:

33 (1) The state comprehensive plan for workforce training and
34 education shall be updated every two years and presented to the
35 governor and the appropriate legislative policy committees. Following
36 public hearings, the legislature shall, by concurrent resolution,

1 approve or recommend changes to the initial plan and the updates. The
2 plan shall then become the state's workforce training policy unless
3 legislation is enacted to alter the policies set forth in the plan.

4 (2) The comprehensive plan shall include workforce training role
5 and mission statements for the workforce development programs of
6 operating agencies represented on the board and sufficient specificity
7 regarding expected actions by the operating agencies to allow them to
8 carry out actions consistent with the comprehensive plan.

9 (3) Operating agencies represented on the board shall have
10 operating plans for their workforce development efforts that are
11 consistent with the comprehensive plan and that provide detail on
12 implementation steps they will take to carry out their responsibilities
13 under the plan. Each operating agency represented on the board shall
14 provide an annual progress report to the board.

15 (4) The comprehensive plan shall include recommendations to the
16 legislature and the governor on the modification, consolidation,
17 initiation, or elimination of workforce training and education programs
18 in the state.

19 (5) The comprehensive plan shall address how the state's workforce
20 development system will meet the needs of employers hiring for
21 (~~industrial~~) projects of statewide significance.

22 (6) The board shall report to the appropriate legislative policy
23 committees by December 1 of each year on its progress in implementing
24 the comprehensive plan and on the progress of the operating agencies in
25 meeting their obligations under the plan.

26 **Sec. 7.** RCW 43.21A.350 and 1997 c 369 s 6 are each amended to read
27 as follows:

28 The department of ecology shall prepare and perfect from time to
29 time a state master plan for flood control, state public reservations,
30 financed in whole or in part from moneys collected by the state, sites
31 for state public buildings and for the orderly development of the
32 natural and agricultural resources of the state. The plan shall
33 address how the department will expedite the completion of
34 (~~industrial~~) projects of statewide significance. The plan shall be
35 a guide in making recommendations to the officers, boards, commissions,
36 and departments of the state.

1 Whenever an improvement is proposed to be established by the state,
2 the state agency having charge of the establishment thereof shall
3 request of the director a report thereon, which shall be furnished
4 within a reasonable time thereafter. In case an improvement is not
5 established in conformity with the report, the state agency having
6 charge of the establishment thereof shall file in its office and with
7 the department a statement setting forth its reasons for rejecting or
8 varying from such report which shall be open to public inspection.

9 The department shall insofar as possible secure the cooperation of
10 adjacent states, and of counties and municipalities within the state in
11 the coordination of their proposed improvements with such master plan.

12 **Sec. 8.** RCW 43.42.060 and 2007 c 94 s 7 are each amended to read
13 as follows:

14 (1) The office may coordinate the processing by participating
15 permit agencies of permits required for a project, at the request of
16 the project proponent through a cost-reimbursement agreement as
17 provided in subsection (3) of this section or with the agreement of the
18 project proponent as provided in subsection (4) of this section.

19 (2) The office shall assign a project coordinator to perform any or
20 all of the following functions, as specified by the terms of a cost-
21 reimbursement agreement under subsection (3) of this section or an
22 agreement under subsection (4) of this section:

- 23 (a) Serve as the main point of contact for the project proponent;
- 24 (b) Conduct a project scoping as provided in RCW 43.42.050(2);
- 25 (c) Verify that the project proponent has all the information
26 needed to complete applications;
- 27 (d) Coordinate the permit processes of the permit agencies;
- 28 (e) Manage the applicable administrative procedures;
- 29 (f) Work to assure that timely permit decisions are made by the
30 permit agencies and maintain contact with the project proponent and the
31 permit agencies to ensure adherence to schedules;
- 32 (g) Assist in resolving any conflict or inconsistency among permit
33 requirements and conditions; and
- 34 (h) Coordinate with relevant federal permit agencies and tribal
35 governments to the extent possible.

36 (3) At the request of a project proponent and as provided in RCW
37 43.42.070, the project coordinator shall coordinate negotiations among

1 the project proponent, the office, and participating permit agencies to
2 enter into a cost-reimbursement agreement and shall coordinate
3 implementation of the agreement, which shall govern coordination of
4 permit processing by the participating permit agencies.

5 (4) For (~~industrial~~) projects of statewide significance or if the
6 office determines that it is in the public interest to coordinate the
7 processing of permits for certain projects that are complex in scope,
8 require multiple permits, involve multiple jurisdictions, or involve a
9 significant number of affected parties, the office shall, upon the
10 proponent's request, enter into an agreement with the project proponent
11 and the participating permit agencies to coordinate the processing of
12 permits for the project. The office may limit the number of such
13 agreements according to the resources available to the office and the
14 permit agencies at the time.

15 **Sec. 9.** RCW 90.58.100 and 1997 c 369 s 7 are each amended to read
16 as follows:

17 (1) The master programs provided for in this chapter, when adopted
18 or approved by the department shall constitute use regulations for the
19 various shorelines of the state. In preparing the master programs, and
20 any amendments thereto, the department and local governments shall to
21 the extent feasible:

22 (a) Utilize a systematic interdisciplinary approach which will
23 insure the integrated use of the natural and social sciences and the
24 environmental design arts;

25 (b) Consult with and obtain the comments of any federal, state,
26 regional, or local agency having any special expertise with respect to
27 any environmental impact;

28 (c) Consider all plans, studies, surveys, inventories, and systems
29 of classification made or being made by federal, state, regional, or
30 local agencies, by private individuals, or by organizations dealing
31 with pertinent shorelines of the state;

32 (d) Conduct or support such further research, studies, surveys, and
33 interviews as are deemed necessary;

34 (e) Utilize all available information regarding hydrology,
35 geography, topography, ecology, economics, and other pertinent data;

36 (f) Employ, when feasible, all appropriate, modern scientific data

1 processing and computer techniques to store, index, analyze, and manage
2 the information gathered.

3 (2) The master programs shall include, when appropriate, the
4 following:

5 (a) An economic development element for the location and design of
6 industries, (~~industrial~~) projects of statewide significance,
7 transportation facilities, port facilities, tourist facilities,
8 commerce and other developments that are particularly dependent on
9 their location on or use of the shorelines of the state;

10 (b) A public access element making provision for public access to
11 publicly owned areas;

12 (c) A recreational element for the preservation and enlargement of
13 recreational opportunities, including but not limited to parks,
14 tidelands, beaches, and recreational areas;

15 (d) A circulation element consisting of the general location and
16 extent of existing and proposed major thoroughfares, transportation
17 routes, terminals, and other public utilities and facilities, all
18 correlated with the shoreline use element;

19 (e) A use element which considers the proposed general distribution
20 and general location and extent of the use on shorelines and adjacent
21 land areas for housing, business, industry, transportation,
22 agriculture, natural resources, recreation, education, public buildings
23 and grounds, and other categories of public and private uses of the
24 land;

25 (f) A conservation element for the preservation of natural
26 resources, including but not limited to scenic vistas, aesthetics, and
27 vital estuarine areas for fisheries and wildlife protection;

28 (g) An historic, cultural, scientific, and educational element for
29 the protection and restoration of buildings, sites, and areas having
30 historic, cultural, scientific, or educational values;

31 (h) An element that gives consideration to the statewide interest
32 in the prevention and minimization of flood damages; and

33 (i) Any other element deemed appropriate or necessary to effectuate
34 the policy of this chapter.

35 (3) The master programs shall include such map or maps, descriptive
36 text, diagrams and charts, or other descriptive material as are
37 necessary to provide for ease of understanding.

1 (4) Master programs will reflect that state-owned shorelines of the
2 state are particularly adapted to providing wilderness beaches,
3 ecological study areas, and other recreational activities for the
4 public and will give appropriate special consideration to same.

5 (5) Each master program shall contain provisions to allow for the
6 varying of the application of use regulations of the program, including
7 provisions for permits for conditional uses and variances, to insure
8 that strict implementation of a program will not create unnecessary
9 hardships or thwart the policy enumerated in RCW 90.58.020. Any such
10 varying shall be allowed only if extraordinary circumstances are shown
11 and the public interest suffers no substantial detrimental effect. The
12 concept of this subsection shall be incorporated in the rules adopted
13 by the department relating to the establishment of a permit system as
14 provided in RCW 90.58.140(3).

15 (6) Each master program shall contain standards governing the
16 protection of single family residences and appurtenant structures
17 against damage or loss due to shoreline erosion. The standards shall
18 govern the issuance of substantial development permits for shoreline
19 protection, including structural methods such as construction of
20 bulkheads, and nonstructural methods of protection. The standards
21 shall provide for methods which achieve effective and timely protection
22 against loss or damage to single family residences and appurtenant
23 structures due to shoreline erosion. The standards shall provide a
24 preference for permit issuance for measures to protect single family
25 residences occupied prior to January 1, 1992, where the proposed
26 measure is designed to minimize harm to the shoreline natural
27 environment.

28 **Sec. 10.** RCW 43.131.402 and 2007 c 231 s 7 are each amended to
29 read as follows:

30 The following acts or parts of acts, as now existing or hereafter
31 amended, are each repealed, effective June 30, 2012:

32 (1) RCW 43.42.005 and 2003 c 71 s 1 & 2002 c 153 s 1;

33 (2) RCW 43.42.010 and 2007 c 231 s 5, 2003 c 71 s 2, & 2002 c 153
34 § 2;

35 (3) RCW 43.42.020 and 2002 c 153 s 3;

36 (4) RCW 43.42.030 and 2003 c 71 s 3 & 2002 c 153 s 4;

37 (5) RCW 43.42.040 and 2003 c 71 s 4 & 2002 c 153 s 5;

- 1 (6) RCW 43.42.050 and 2002 c 153 s 6;
- 2 (7) RCW 43.42.060 and 2009 c . . . s 8 (section 8 of this act) &
- 3 2002 c 153 s 7;
- 4 (8) RCW 43.42.070 and 2002 c 153 s 8;
- 5 (9) RCW 43.42.905 and 2002 c 153 s 10;
- 6 (10) RCW 43.42.900 and 2002 c 153 s 11; and
- 7 (11) RCW 43.42.901 and 2002 c 153 s 12.

8 NEW SECTION. **Sec. 11.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of the
10 state government and its existing public institutions, and takes effect
11 immediately."

12 Correct the title.

EFFECT: The amendment (1) clarifies the role of the Department of Community, Trade, and Economic Development in qualifying certain categories of projects for designation as projects of statewide significance and requires consultation with the Director of Ecology concerning the development of environmental criteria for use in project designation, (2) requires the Department, before designating any category of projects as a project of statewide significance, to determine whether the project will provide significant local and/or state economic benefit, whether it is aligned with the state's comprehensive plan for economic development, and whether its designation will prevent equal consideration of all categories of project proposals, (3) specifies that renewable energy technology or components are included as projects to be considered under environmental criteria, and (4) makes other technical and reorganizational changes.

--- END ---