

SENATE BILL REPORT

SHB 2704

As Reported by Senate Committee On:
Government Operations & Elections, February 25, 2010

Title: An act relating to transferring the Washington main street program to the department of archaeology and historic preservation.

Brief Description: Transferring the Washington main street program to the department of archaeology and historic preservation.

Sponsors: House Committee on State Government & Tribal Affairs (originally sponsored by Representatives Takko, Hinkle, Appleton, Haler, Rolfes, Van De Wege, Quall, Warnick and Morris).

Brief History: Passed House: 2/15/10, 91-7.

Committee Activity: Government Operations & Elections: 2/25/10 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; Benton, McDermott, Pridemore and Swecker.

Staff: Karen Epps (786-7424)

Background: The Main Street Program is a community-driven, comprehensive strategy used to revitalize downtown and neighborhood business districts throughout the United States. On the national level, the Main Street Program is housed at the National Trust for Historic Preservation. Statewide Main Street coordinating programs assist cities and towns within the state with downtown and neighborhood business district revitalization.

The Washington Main Street Program (Program) in the Department of Commerce (Commerce) provides technical assistance to communities undertaking a comprehensive downtown or neighborhood commercial district revitalization initiative and management strategy. Commerce operates the Program in consultation with an advisory committee. Financial assistance may be provided to communities for certain Program costs. Commerce was directed to develop the criteria for selecting the recipients of assistance and provides the designation of local projects. Priority for technical and financial assistance is given to downtown or neighborhood revitalization programs located in a rural county. Commerce

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may not provide assistance to cities with populations of 190,000 or more. The Program helps downtown organizations take advantage of the Main Street Tax Credit Incentive Program.

Summary of Bill: The administration of the Washington Main Street Program is moved from the Department of Commerce to the Department of Archeology and Historic Preservation.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2010.

Staff Summary of Public Testimony: PRO: Both agencies support the transfer of the Main Street Program to the Department of Archeology and Historic Preservation (AHP). There is a nexus between the Main Street Program and the AHP in that many of the downtown revitalizations that Main Street does revolves around historic preservation of the downtown. Other Historic Preservation Programs in the nation have the Main Street Program within their programs. The Main Street Program has benefitted many communities throughout Washington and across the United States. Since 1991 the Washington Main Street Program has helped local communities create over 11,000 jobs in 3,800 new and expanded businesses and leveraged private investment of \$413 million. Every dollar invested by the Program in Washington has leveraged an average of \$96 in private investment. Every \$370 invested by the Main Street Program has leveraged one new job in a local downtown. It has helped in retaining businesses which leads to an increase in jobs, additional sales in the downtown areas, and a larger tax base. The Main Street Program does not tell you what to do but it tells you how to do it. The Program increases sales, which increases sales tax revenue which is great for the city and the state. Without transferring this program to the AHP, the program will cease to exist. The Main Street Program supports 90 communities in Washington. One city has recently seen the elimination of its visitor's bureau and is currently renovating a boutique hotel that is very dependent on tourism.

Persons Testifying: PRO: Representative Takko, prime sponsor; Allyson Brooks, AHP; Steven Lynn, Gig Harbor Historic Waterfront Assn.; Jeanne Carras, Olympia Downtown Association; Michelle Moline, Stay Historic Hospitality, private developer.