
SUBSTITUTE HOUSE BILL 1952

State of Washington 61st Legislature 2009 Regular Session

By House Capital Budget (originally sponsored by Representatives Kenney, Ormsby, Blake, Flannigan, Maxwell, Pettigrew, Springer, Hudgins, Lias, Morrell, White, Conway, Hasegawa, Chase, Sullivan, Dickerson, Wood, and Santos)

READ FIRST TIME 03/02/09.

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