HOUSE BILL 2125

State of Washington 61st Legislature 2009 Regular Session

By Representatives Santos and Kenney

Read first time 02/10/09. Referred to Committee on Community & Economic Development & Trade.

1 AN ACT Relating to community preservation and development 2 authorities; amending RCW 43.167.010, 43.167.020, 43.167.030, and 3 43.167.050; adding new sections to chapter 43.167 RCW; and creating a 4 new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. Major public facilities, public works, and б capital projects with significant public funding generally seek to 7 accrue broad benefits for the people of Washington. At times, however, 8 9 the needs and concerns of a stakeholder community that is required to bear a disproportionate burden of the broad public benefit by absorbing 10 deleterious impacts are overlooked or inadequately addressed. 11 These may include dislocation, displacement, and the overall 12 impacts 13 disintegration of an identifiable, existing community and its 14 historical and cultural character.

The legislature finds that preserving and restoring the character, history, and cultural values of a community that is, has been, or may be disproportionately affected by major public facilities, public works, and capital projects with significant public funding are

important public policy goals that can be achieved through the creation
 of community preservation and development authorities.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.167 RCW
to read as follows:

5 (1) Community preservation and development authorities may be 6 created to restore or enhance the health, safety, and economic well-7 being of communities adversely impacted by the construction or ongoing 8 operation of multiple major public facilities, public works, and 9 capital projects with significant public funding.

10 (2) Community preservation and development authorities have the 11 following purposes:

12 (a) Revitalizing, enhancing, and preserving the unique character of13 impacted communities;

(b) Mitigating the adverse effects of multiple major public facilities projects, public works projects, or capital projects with significant public funding, or secure community transition facilities as defined in RCW 71.09.020(14);

- 18 (c) Restoring a local area's sense of community;
- 19 (d) Reducing the displacement of community members and businesses;

20 (e) Stimulating the community's economic vitality;

21 (f) Enhancing public service provisions;

22 (g) Improving the standard of living of community members;

(h) Preserving historic buildings or areas by returning them to economically productive uses that are compatible with, or beneficial to, their historic character; and

(i) Raising the visibility and consequences of public policydecisions and actions.

28 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 43.167 RCW 29 to read as follows:

30 The definitions in this section apply throughout this chapter 31 unless the context clearly requires otherwise.

(1) "Community" means a group of people who: (a) Currently or historically share a distinct cultural identity or local history; and (b) reside or work in the geographic area of an established or proposed authority.

(2) "Community preservation and development authority" or
 "authority" means an authority established under this chapter.

3 (3) "Constituency" means the general membership of the community 4 preservation and development authority. Membership shall be open to 5 all persons eighteen years of age and over who are residents, property 6 owners, employees, or business persons within the geographic boundaries 7 of an established or proposed authority.

8 (4) "Director" means a member of the board of directors of an 9 authority.

10 (5) "Impacted community" means a community that has been or may be 11 adversely impacted by the construction of, or ongoing operation of, 12 multiple major public facilities, public works, and capital projects 13 with significant public funding.

14 (6) "Major public facilities project, public works project, or 15 capital project with significant public funding" means any capital 16 project whose total cost exceeds ten million dollars. On July 1, 2011, 17 and on July 1st of each odd-numbered year thereafter, the capital 18 project cost threshold shall be adjusted by the capital project cost 19 adjustment factor for inflation established by the office of financial 20 management.

21 **Sec. 4.** RCW 43.167.010 and 2007 c 501 s 3 are each amended to read 22 as follows:

23 (1) The residents, property owners, employees, or business owners 24 an impacted community may propose formation of a community of 25 preservation and development authority. The proposal to form ((a 26 community preservation and development)) an authority must be presented in writing to the appropriate legislative committees in ((both)) the 27 house of representatives and the senate. 28 The proposal must contain 29 proposed general geographic boundaries that will be used to define the 30 community for the purposes of the authority. Proposals presented after 31 January 1, 2008, must identify in its proposal one or more stable 32 revenue sources that (a) have a nexus with the multiple publicly funded 33 facilities that have adversely impacted the community, and (b) can be 34 used to support future operating or capital projects that will be 35 identified in the strategic plan required under RCW 43.167.030.

36 (2) Formation of the community preservation and development
 37 authority is subject to legislative authorization by statute. <u>Prior to</u>

authorizing the formation of an authority, the legislature must find 1 2 that (a) the area within the proposal's geographic boundaries meets the 3 definition of "impacted community" contained in section $\left(\frac{2(4)}{2}\right)$ 3 of 4 this act and (b) those persons that have brought forth the proposal are 5 members of the community as defined in section $((\frac{2(1)}{2}))$ <u>3</u> of this act and, if the authority were approved, would meet the definition of б 7 constituency contained in section $((\frac{2}{3}))$ <u>3</u> of this act. For 8 proposals brought after January 1, 2008, the legislature must also find that the community has identified one or more stable revenue sources as 9 required in subsection (1) of this section. The legislature may then 10 act to authorize the establishment of the ((community preservation and 11 12 development)) authority in law.

13 (3) The affairs of a community preservation and development 14 authority shall be managed by a board of directors, consisting of the 15 following members:

16 (a) Two members who own, operate, or represent businesses within17 the community;

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(b) <u>Two members who reside in the community;</u>

19 (c) Two members who are involved in providing nonprofit community 20 or social services within the community;

21 (((c))) <u>(d)</u> Two members who are involved in the arts and 22 entertainment within the community;

23 (((d))) <u>(e)</u> Two members with knowledge of the community's culture 24 and history; and

25 (((e))) <u>(f)</u> One member who is involved in a nonprofit or public 26 planning organization that directly serves the impacted community.

(4) No member of the board shall hold office for more than four
years. Board positions shall be numbered one through ((nine)) eleven,
and the terms staggered shall be as follows:

30 (a) Board members elected to positions one through five shall serve
 31 two-year terms, and if reelected, may serve no more than one additional
 32 two-year term.

33 (b) Board members initially elected to positions six through 34 ((nine)) <u>eleven</u> shall serve a three-year term only.

35 (c) Board members elected to positions six through ((nine)) <u>eleven</u> 36 after the initial three-year term shall serve two-year terms, and if 37 reelected, may serve no more than one additional two-year term.

(5) ((With respect to an authority's)) The initial board of 1 2 directors((: The state legislative delegation)) of an authority shall be established through the election process established in this 3 subsection. Two or more members of the legislative delegation from the 4 legislative district within which the authority is located, and those 5 6 proposing formation of the authority_ shall jointly establish a committee to develop a list of candidates to stand for election 7 8 ((once)) after the authority has received legislative approval as ((established)) provided in subsection (2) of this section. ((For the 9 10 purpose of developing the list and identifying those persons who meet 11 the criteria in subsection (3)(a) through (e) of this section, 12 community shall mean the proposed geographic boundaries as set out in 13 the proposal.)) The ((board of)) initial directors shall be elected by the constituency during a meeting convened for that purpose by two or 14 15 more members of the ((state)) applicable legislative delegation.

16 (6) ((With respect to subsequent elections of an authority's board of directors:)) Subsequent directors shall be determined through the 17 election process established in this subsection. A list of candidates 18 19 shall be developed by the authority's existing ((board of)) directors 20 and the election shall be held during the annual local town hall 21 meeting as required in RCW 43.167.030.

22 Sec. 5. RCW 43.167.020 and 2007 c 501 s 4 are each amended to read 23 as follows:

24 (1) A community preservation and development authority shall have 25 the power to:

26 (a) Accept gifts, grants, loans, or other aid from public or 27 private entities; ((and

(b) Exercise such additional powers as may be authorized by law)) 28

29 (b) Employ and appoint such agents, attorneys, officers, and 30 employees as may be necessary to implement the purposes and duties of 31 an authority;

- (c) Contract and enter into partnerships with individuals, 32 associations, corporations, and local, state, and federal governments; 33 (d) Buy, own, lease, and sell real and personal property;
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- 35 (e) Hold in trust, improve, and develop land;
- (f) Invest, deposit, and reinvest its funds; 36
- (g) Incur debt in furtherance of its mission; 37

1 (h) Lend its funds, property, credit, or services for corporate
2 purposes; and

(i) Exercise additional powers as may be authorized by law.

4 (2) A community preservation and development authority ((shall
5 have)) has no power of eminent domain nor any power to levy taxes or
6 special assessments.

7 Sec. 6. RCW 43.167.030 and 2007 c 501 s 5 are each amended to read 8 as follows:

9 A community preservation and development authority shall have the 10 duty to:

(1) Establish specific geographic boundaries for the authority within its bylaws based on the general geographic boundaries established in the proposal submitted and approved by the legislature;

14 (2) Solicit input from members of its community and develop a 15 strategic preservation and development plan to <u>restore and</u> promote the 16 health, safety, and economic well-being of the impacted community and 17 to <u>restore and</u> preserve its cultural and historical identity;

18 (3) Include within the strategic plan a prioritized list of 19 projects identified and supported by the community, including capital 20 or operating components that address one or more of the purposes under 21 section $((\frac{1}{3}))$ 2(2) of this act;

(4) Establish funding mechanisms to support projects and programs
 identified in the strategic plan including but not limited to grants
 and loans;

(5) Use gifts, grants, loans, and other aid from public or private entities to carry out projects identified in the strategic plan including, but not limited to, those that: (a) Enhance public safety; (b) reduce community blight; (c) provide ongoing mitigation of the adverse effects of multiple publicly funded projects on the impacted community; and (d) address other purposes consistent with section 2 of this act; and

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(6) Demonstrate ongoing accountability for its actions by:

33 (a) Reporting to the appropriate committees of the legislature, one 34 year after formation and every biennium thereafter, on the authority's 35 strategic plan, activities, accomplishments, and any recommendations 36 for statutory changes;

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(b) Reporting any changes in the authority's geographic boundaries
 to the appropriate committees of the legislature when the legislature
 next convenes in regular session;

4 (c) Convening a local town hall meeting with its constituency on an 5 annual basis to: (i) Report its activities and accomplishments from 6 the previous year; (ii) present and receive input from members of the 7 impacted community regarding its proposed strategic plan and activities 8 for the upcoming year; and (iii) hold board member elections as 9 necessary; and

10 (d) Maintaining books and records as appropriate for the conduct of 11 its affairs.

12 Sec. 7. RCW 43.167.050 and 2007 c 501 s 8 are each amended to read 13 as follows:

Prior to making siting, design, and construction decisions for future major public facilities, public works projects, or capital projects with significant public funding, state and local government agencies ((may)) must:

(1) Communicate and consult <u>fully</u> with the community preservation and development authority and impacted community, including assessing the compatibility of the proposed project with the strategic plan adopted by the authority; and

(2) Make reasonable efforts to ensure that negative, cumulativeeffects of multiple projects upon the impacted community are minimized.

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