
SENATE BILL 5320

State of Washington

62nd Legislature

2011 Regular Session

By Senators Chase, Kastama, and Shin

Read first time 01/20/11. Referred to Committee on Economic Development, Trade & Innovation.

1 AN ACT Relating to prioritizing infrastructure projects; and
2 amending RCW 43.330.100 and 43.160.060.

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

4 **Sec. 1.** RCW 43.330.100 and 1993 c 280 s 13 are each amended to
5 read as follows:

6 (1)(a) The department (~~shall~~) must support the development and
7 maintenance of local infrastructure and public facilities and provide
8 local communities with flexible sources of funding. The department
9 (~~shall~~) must coordinate grant and loan programs that provide
10 infrastructure and investment in local communities. This (~~shall~~)
11 must include coordinating funding for eligible projects with other
12 federal, state, local, private, and nonprofit funding sources.

13 ((+2)) (b) At a minimum, the department (~~shall~~) must provide
14 coordinated procedures for applying for and tracking grants and loans
15 among and between the community economic revitalization board, the
16 public works trust fund, and community development block grants.

17 (2) The department must work with county officials and associate
18 development organizations to identify areas meriting prioritization in
19 receipt of infrastructure funding awards.

1 **Sec. 2.** RCW 43.160.060 and 2008 c 327 s 5 are each amended to read
2 as follows:

3 (1) The board is authorized to make direct loans to political
4 subdivisions of the state and to federally recognized Indian tribes for
5 the purposes of assisting the political subdivisions and federally
6 recognized Indian tribes in financing the cost of public facilities,
7 including development of land and improvements for public facilities,
8 project-specific environmental, capital facilities, land use,
9 permitting, feasibility, and marketing studies and plans; project
10 design, site planning, and analysis; project debt and revenue impact
11 analysis; as well as the construction, rehabilitation, alteration,
12 expansion, or improvement of the facilities. The board may make direct
13 loans to rural counties for carrying out an analysis of industrial
14 sites to identify where high priority infrastructure developments are
15 warranted. A grant may also be authorized for purposes designated in
16 this chapter, but only when, and to the extent that, a loan is not
17 reasonably possible, given the limited resources of the political
18 subdivision or the federally recognized Indian tribe and the finding by
19 the board that financial circumstances require grant assistance to
20 enable the project to move forward. However, no more than twenty-five
21 percent of all financial assistance approved by the board in any
22 biennium may consist of grants to political subdivisions and federally
23 recognized Indian tribes.

24 (2) Application for funds (~~(shall)~~) must be made in the form and
25 manner as the board may prescribe. In making grants or loans the board
26 (~~(shall)~~) must conform to the following requirements:

27 (~~(1)~~) (a) The board (~~(shall)~~) may not provide financial
28 assistance:

29 (~~(a)~~) (i) For a project the primary purpose of which is to
30 facilitate or promote a retail shopping development or expansion.

31 (~~(b)~~) (ii) For any project that evidence exists would result in
32 a development or expansion that would displace existing jobs in any
33 other community in the state.

34 (~~(c)~~) (iii) For a project the primary purpose of which is to
35 facilitate or promote gambling.

36 (~~(d)~~) (iv) For a project located outside the jurisdiction of the
37 applicant political subdivision or federally recognized Indian tribe.

1 ((+2)) (b) The board (~~(shall)~~) may only provide financial
2 assistance:

3 ((+a)) (i) For a project demonstrating convincing evidence that a
4 specific private development or expansion is ready to occur and will
5 occur only if the public facility improvement is made that:

6 ((+i)) (A) Results in the creation of significant private sector
7 jobs or significant private sector capital investment as determined by
8 the board and is consistent with the state comprehensive economic
9 development plan developed by the Washington economic development
10 commission pursuant to chapter 43.162 RCW, once the plan is adopted;
11 and

12 ((+ii)) (B) Will improve the opportunities for the successful
13 maintenance, establishment, or expansion of industrial or commercial
14 plants or will otherwise assist in the creation or retention of long-
15 term economic opportunities;

16 ((+b)) (iii) For a project that cannot meet the requirement of
17 (a)(i) of this subsection (2) but is a project that:

18 ((+i)) (A) Results in the creation of significant private sector
19 jobs or significant private sector capital investment as determined by
20 the board and is consistent with the state comprehensive economic
21 development plan developed by the Washington economic development
22 commission pursuant to chapter 43.162 RCW, once the plan is adopted;

23 ((+ii)) (B) Is part of a local economic development plan
24 consistent with applicable state planning requirements;

25 ((+iii)) (C) Can demonstrate project feasibility using standard
26 economic principles; and

27 ((+iv)) (D) Is located in a rural community as defined by the
28 board, or a rural county;

29 ((+e)) (iv) For site-specific plans, studies, and analyses that
30 address environmental impacts, capital facilities, land use,
31 permitting, feasibility, marketing, project engineering, design, site
32 planning, and project debt and revenue impacts, as grants not to exceed
33 fifty thousand dollars.

34 ((+3)) (c) The board (~~(shall)~~) must develop guidelines for local
35 participation and allowable match and activities.

36 ((+4)) (d) An application must demonstrate local match and local
37 participation, in accordance with guidelines developed by the board.

1 ((+5+)) (e) An application must be approved by the political
2 subdivision and supported by the local associate development
3 organization or local workforce development council or approved by the
4 governing body of the federally recognized Indian tribe.

5 ((+6+)) (f) The board may allow de minimis general system
6 improvements to be funded if they are critically linked to the
7 viability of the project.

8 ((+7+)) (g) An application must demonstrate convincing evidence
9 that the median hourly wage of the private sector jobs created after
10 the project is completed will exceed the countywide median hourly wage.

11 ((+8+)) (h) The board (~~shall~~) must prioritize each proposed
12 project according to:

13 ((+a+)) (i) The relative benefits provided to the community by the
14 jobs the project would create, not just the total number of jobs it
15 would create after the project is completed, but also giving
16 consideration to the unemployment rate in the area in which the jobs
17 would be located;

18 ((+b+)) (ii) The rate of return of the state's investment,
19 including, but not limited to, the leveraging of private sector
20 investment, anticipated job creation and retention, and expected
21 increases in state and local tax revenues associated with the project;

22 ((+c+)) (iii) Whether the proposed project offers a health
23 insurance plan for employees that includes an option for dependents of
24 employees;

25 ((+d+)) (iv) Whether the public facility investment will increase
26 existing capacity necessary to accommodate projected population and
27 employment growth in a manner that supports infill and redevelopment of
28 existing urban or industrial areas that are served by adequate public
29 facilities. Projects should maximize the use of existing
30 infrastructure and provide for adequate funding of necessary
31 transportation improvements; and

32 ((+e+)) (v) Whether the applicant has developed and adhered to
33 guidelines regarding its permitting process for those applying for
34 development permits consistent with section 1(2), chapter 231, Laws of
35 2007.

36 ((+9+)) (i) A responsible official of the political subdivision or
37 the federally recognized Indian tribe (~~shall~~) must be present during
38 board deliberations and provide information that the board requests.

1 (3) Before any financial assistance application is approved, the
2 political subdivision or the federally recognized Indian tribe seeking
3 the assistance must demonstrate to the community economic
4 revitalization board that no other timely source of funding is
5 available to it at costs reasonably similar to financing available from
6 the community economic revitalization board.

--- END ---