HOUSE BILL 1353

State of Washington 67th Legislature 2021 Regular Session

By Representatives Maycumber, Chapman, Jacobsen, and Boehnke

Read first time 01/25/21. Referred to Committee on Community & Economic Development.

AN ACT Relating to improving the equitable access to the main street program; amending RCW 82.73.010 and 43.360.030; and adding a new section to chapter 82.73 RCW.

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

5 **Sec. 1.** RCW 82.73.010 and 2010 c 30 s 4 are each amended to read 6 as follows:

7 Unless the context clearly requires otherwise, the definitions in 8 this section apply throughout this chapter.

9 (1) "Applicant" means a person applying for a tax credit under 10 this chapter.

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(2) "Contribution" means cash contributions.

12 (3) "Department" means the department of revenue.

13 (4) "Main street trust fund" means the Washington main street 14 trust fund account under RCW 43.360.050.

(5) "Person" has the meaning given in RCW 82.04.030.

16 (6) "Program" means a nonprofit organization under internal 17 revenue code sections 501(c)(3) or 501(c)(6), <u>that is designated by</u> 18 <u>the department of archaeology and historic preservation as described</u> 19 <u>in RCW 43.360.010 through 43.360.050</u> with:

20 <u>(a)</u> The sole mission of revitalizing a downtown or neighborhood 21 commercial district area((, that is designated by the department of 1 archaeology and historic preservation as described in RCW 43.360.010

2 through 43.360.050)); or

3 (b) An economic development mission.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 82.73
RCW to read as follows:

Beginning July 1, 2021, a program, as defined under RCW
82.73.010(6)(b), and designated, as described in RCW 43.360.010
8 through 43.360.050:

9 (1) Must be a nonprofit organization under Title 26 U.S.C. Sec. 10 501(c)(3) or (c)(6) of the federal internal revenue code;

11 (2) Must be located in a rural county, as defined in RCW 12 43.160.020; and

13 (3) May not have had a main street program designated within the 14 same county on or before December 31, 2020.

15 Sec. 3. RCW 43.360.030 and 2005 c 514 s 910 are each amended to 16 read as follows:

(1) The department ((shall)) <u>must</u> adopt criteria for the designation of local downtown or neighborhood commercial district revitalization programs and official local main street programs. In establishing the criteria, the department ((shall)) <u>must</u> consider:

(a) The degree of interest and commitment to comprehensive downtown or neighborhood commercial district revitalization and, where applicable, historic preservation by both the public and private sectors;

(b) The evidence of potential private sector investment in thedowntown or neighborhood commercial district;

(c) Where applicable, a downtown or neighborhood commercial
 district with sufficient historic fabric to become a foundation for
 an enhanced community image; and

30 (d) ((The capacity of the organization to undertake a 31 comprehensive program and the financial commitment to implement a 32 long-term downtown or neighborhood commercial district revitalization 33 program that includes a commitment to employ a professional program 34 manager and maintain a sufficient operating budget;

35 (e) The department's existing downtown revitalization program's 36 tier system;

37 (f) The national main street center's criteria for designating 38 official main street cities; and 1 (g)) Other factors the department deems necessary for the 2 designation of a local program.

3 (2) <u>In addition to the criteria in subsection (1) of this</u> 4 <u>section, when adopting criteria for the designation of a program</u> 5 <u>defined in RCW 82.73.010(6)(a), the department must consider:</u>

6 <u>(a) The capacity of the organization to undertake a comprehensive</u> 7 program and the financial commitment to implement a long-term 8 downtown or neighborhood commercial district revitalization program 9 that includes a commitment to employ a professional program manager 10 and maintain a sufficient operating budget;

11 (b) The department's existing downtown revitalization program's 12 tier system; and

13 (c) The national main street center's criteria for designating 14 official main street cities.

15 <u>(3)</u> The department ((shall)) <u>must</u> designate local downtown or 16 neighborhood commercial district revitalization programs and official 17 local main street programs. The programs ((shall)) <u>must</u> be limited to 18 three categories of designation, one of which ((shall)) <u>must</u> be the 19 main street level.

20 (((3))) (4) RCW ((82.73.010)) 43.360.020 does not apply to any 21 local downtown or neighborhood commercial district revitalization 22 program unless the boundaries of the program have been identified and 23 approved by the department. The boundaries of a local downtown or 24 neighborhood commercial district revitalization program are typically 25 defined using the pedestrian core of a traditional commercial 26 district.

27 (((4))) (5) The department may not designate a local downtown or 28 neighborhood commercial district revitalization program or official 29 local main street program if the program is undertaken by a local 30 government with a population of one hundred ninety thousand persons 31 or more.

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