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HOUSE BILL 1122

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State of Washington                      55th Legislature                      1997 Regular Session

By Representatives Veloria, Tokuda, Cody and Mason

Read first time 01/14/97. Referred to Committee on Trade & Economic Development.

1            AN ACT Relating to mitigation of impacts of siting a baseball  
2 stadium; and amending RCW 82.14.360 and 36.100.037.

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

4            **Sec. 1.** RCW 82.14.360 and 1995 3rd sp.s. c 1 s 201 are each  
5 amended to read as follows:

6            (1) The legislative authority of a county with a population of one  
7 million or more may impose a special stadium sales and use tax upon the  
8 retail sale or use within the county by restaurants, taverns, and bars  
9 of food and beverages that are taxable by the state under chapters  
10 82.08 and 82.12 RCW. The rate of the tax shall not exceed five-tenths  
11 of one percent of the selling price in the case of a sales tax, or  
12 value of the article used in the case of a use tax. The tax imposed  
13 under this subsection is in addition to any other taxes authorized by  
14 law and shall not be credited against any other tax imposed upon the  
15 same taxable event. As used in this section, "restaurant" does not  
16 include grocery stores, mini-markets, or convenience stores.

17            (2) The legislative authority of a county with a population of one  
18 million or more may impose a special stadium sales and use tax upon  
19 retail car rentals within the county that are taxable by the state

1 under chapters 82.08 and 82.12 RCW. The rate of the tax shall not  
2 exceed two percent of the selling price in the case of a sales tax, or  
3 rental value of the vehicle in the case of a use tax. The tax imposed  
4 under this subsection is in addition to any other taxes authorized by  
5 law and shall not be credited against any other tax imposed upon the  
6 same taxable event.

7 (3) Except as provided in subsection (4) of this section, the  
8 revenue from the taxes imposed under this section shall be used for the  
9 purpose of principal and interest payments on bonds, issued by the  
10 county, to acquire, construct, own, remodel, maintain, equip, reequip,  
11 repair, and operate a baseball stadium. Revenues from the taxes  
12 authorized in this section may be used for design and other  
13 preconstruction costs of the baseball stadium until bonds are issued  
14 for the baseball stadium. The county shall issue bonds, in an amount  
15 determined to be necessary by the public facilities district, for the  
16 district to acquire, construct, own, and equip the baseball stadium.  
17 The county shall have no obligation to issue bonds in an amount greater  
18 than that which would be supported by the tax revenues under this  
19 section, RCW 82.14.0485, and 36.38.010(3) (a) and (b). If the revenue  
20 from the taxes imposed under this section exceeds the amount needed for  
21 such principal and interest payments in any year, the excess shall be  
22 used solely:

23 (a) For early retirement of the bonds issued for the baseball  
24 stadium; and

25 (b) If the revenue from the taxes imposed under this section  
26 exceeds the amount needed for the purposes in (a) of this subsection in  
27 any year, the excess shall be placed in a contingency fund which may  
28 only be used to pay unanticipated capital costs on the baseball  
29 stadium, excluding any cost overruns on initial construction.

30 (4) The local government shall remit revenues from the taxes  
31 imposed in this section and collected in disaffected areas to  
32 organizations chartered under Title 35 RCW, for the purpose of  
33 mitigating the negative impacts caused by the siting of the baseball  
34 stadium. As used in this subsection, "disaffected areas" means  
35 geographic areas that are adjacent to or adjoining the site of the  
36 baseball stadium and that will suffer adverse impact as a result of the  
37 siting of the baseball stadium as determined by an assessment under  
38 chapter 43.21C RCW.

1       (5) The taxes authorized under this section shall not be collected  
2 after June 30, 1997, unless the county executive has certified to the  
3 department of revenue that a professional major league baseball team  
4 has made a binding and legally enforceable contractual commitment to:

5       (a) Play at least ninety percent of its home games in the stadium  
6 for a period of time not shorter than the term of the bonds issued to  
7 finance the initial construction of the stadium;

8       (b) Contribute forty-five million dollars toward the reasonably  
9 necessary preconstruction costs including, but not limited to  
10 architectural, engineering, environmental, and legal services, and the  
11 cost of construction of the stadium, or to any associated public  
12 purpose separate from bond-financed property, including without  
13 limitation land acquisition, parking facilities, equipment,  
14 infrastructure, or other similar costs associated with the project,  
15 which contribution shall be made during a term not to exceed the term  
16 of the bonds issued to finance the initial construction of the stadium.  
17 If all or part of the contribution is made after the date of issuance  
18 of the bonds, the team shall contribute an additional amount equal to  
19 the accruing interest on the deferred portion of the contribution,  
20 calculated at the interest rate on the bonds maturing in the year in  
21 which the deferred contribution is made. No part of the contribution  
22 may be made without the consent of the county until a public facilities  
23 district is created under chapter 36.100 RCW to acquire, construct,  
24 own, remodel, maintain, equip, reequip, repair, and operate a baseball  
25 stadium. To the extent possible, contributions shall be structured in  
26 a manner that would allow for the issuance of bonds to construct the  
27 stadium that are exempt from federal income taxes; and

28       (c) Share a portion of the profits generated by the baseball team  
29 from the operation of the professional franchise for a period of time  
30 equal to the term of the bonds issued to finance the initial  
31 construction of the stadium, after offsetting any losses incurred by  
32 the baseball team after the effective date of chapter 14, Laws of 1995  
33 1st sp. sess. Such profits and the portion to be shared shall be  
34 defined by agreement between the public facilities district and the  
35 baseball team. The shared profits shall be used to retire the bonds  
36 issued to finance the initial construction of the stadium. If the  
37 bonds are retired before the expiration of their term, the shared  
38 profits shall be paid to the public facilities district.

1       ~~((5))~~ (6) No tax may be collected under this section before  
2 January 1, 1996. Before collecting the taxes under this section or  
3 issuing bonds for a baseball stadium, the county shall create a public  
4 facilities district under chapter 36.100 RCW to acquire, construct,  
5 own, remodel, maintain, equip, reequip, repair, and operate a baseball  
6 stadium.

7       ~~((6))~~ (7) The county shall assemble such real property as the  
8 district determines to be necessary as a site for the baseball stadium.  
9 Property which is necessary for this purpose that is owned by the  
10 county on October 17, 1995, shall be contributed to the district, and  
11 property which is necessary for this purpose that is acquired by the  
12 county on or after October 17, 1995, shall be conveyed to the district.

13       ~~((7))~~ (8) The proceeds of any bonds issued for the baseball  
14 stadium shall be provided to the district.

15       ~~((8))~~ (9) As used in this section, "baseball stadium" means  
16 "baseball stadium" as defined in RCW 82.14.0485.

17       ~~((9))~~ (10) The taxes imposed under this section shall expire when  
18 the bonds issued for the construction of the baseball stadium are  
19 retired, but not later than twenty years after the taxes are first  
20 collected.

21       **Sec. 2.** RCW 36.100.037 and 1995 3rd sp.s. c 1 s 308 are each  
22 amended to read as follows:

23       The public facilities district, the county, and the city with the  
24 largest population in the county shall enter into an agreement  
25 regarding the construction of a baseball stadium as defined in RCW  
26 82.14.0485. The agreement shall address, but not be limited to:

27       (1) Expedited permit processing for the design and construction of  
28 the project;

29       (2) Expedited environmental review processing;

30       (3) Expedited processing of requests for street, right of way, or  
31 easement vacations necessary for the construction of the project;  
32 ~~((and))~~

33       (4) Mechanisms for mitigating adverse impacts including, but not  
34 limited to, parking, community economic development, and events traffic  
35 planning in geographic areas adjacent to and disaffected by the siting  
36 of the baseball stadium; and

1        (5) Other items deemed necessary for the design and construction of  
2 the project.

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