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HOUSE BILL 1383

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State of Washington                      64th Legislature                      2015 Regular Session

By Representatives Springer, Haler, Young, Fitzgibbon, McBride, Stanford, Clibborn, Fey, and Zeiger

Read first time 01/19/15. Referred to Committee on Community Development, Housing & Tribal Affairs.

1            AN ACT Relating to community redevelopment financing in  
2 apportionment districts; amending RCW 39.88.030, 39.88.040,  
3 39.88.070, 39.88.080, 39.88.100, 84.52.043, 84.52.043, and 84.52.050;  
4 reenacting and amending RCW 39.88.020; adding a new section to  
5 chapter 39.88 RCW; repealing RCW 39.88.060 and 39.88.090; providing  
6 an effective date; and providing an expiration date.

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

8            **Sec. 1.** RCW 39.88.020 and 2011 c 336 s 815 are each reenacted  
9 and amended to read as follows:

10            (~~As used in this chapter the following terms have the following~~  
11 ~~meanings unless a different meaning is clearly indicated by the~~  
12 ~~context:~~) The definitions in this section apply throughout this act  
13 unless the context clearly requires otherwise.

14            (1) "Apportionment district" means the geographic area, within an  
15 urban area, from which (~~regular property taxes are to be apportioned~~  
16 ~~to finance a public improvement contained therein.~~

17            ~~(2) "Assessed value of real property" means the valuation of real~~  
18 ~~property as placed on the last completed assessment roll of the~~  
19 ~~county.~~

20            ~~(3) "City" means any city or town.~~

1       ~~(4) "Ordinance" means any appropriate method of taking a~~  
2 ~~legislative action by a county or city, whether known as a statute,~~  
3 ~~resolution, ordinance, or otherwise.~~

4       ~~(5) "Public improvement" means an undertaking to provide public~~  
5 ~~facilities in an urban area which the sponsor has authority to~~  
6 ~~provide.~~

7       ~~(6) "Public improvement costs" means the costs of design,~~  
8 ~~planning, acquisition, site preparation, construction,~~  
9 ~~reconstruction, rehabilitation, improvement, and installation of the~~  
10 ~~public improvement; costs of relocation, maintenance, and operation~~  
11 ~~of property pending construction of the public improvement; costs of~~  
12 ~~utilities relocated as a result of the public improvement; costs of~~  
13 ~~financing, including interest during construction, legal and other~~  
14 ~~professional services, taxes, and insurance; costs incurred by the~~  
15 ~~assessor to revalue real property for the purpose of determining the~~  
16 ~~tax allocation base value that are in excess of costs incurred by the~~  
17 ~~assessor in accordance with his or her revaluation plan under chapter~~  
18 ~~84.41 RCW, and the costs of apportioning the taxes and complying with~~  
19 ~~this chapter and other applicable law; and administrative costs~~  
20 ~~reasonably necessary and related to these costs. These costs may~~  
21 ~~include costs incurred prior to the adoption of the public~~  
22 ~~improvement ordinance, but subsequent to July 10, 1982.~~

23       ~~(7) "Public improvement ordinance" means the ordinance passed~~  
24 ~~under RCW 39.88.040(4).~~

25       ~~(8) "Regular property taxes" means regular property taxes as now~~  
26 ~~or hereafter defined in RCW 84.04.140, except regular property taxes~~  
27 ~~levied by port districts or public utility districts specifically for~~  
28 ~~the purpose of making required payments of principal and interest on~~  
29 ~~general indebtedness.~~

30       ~~(9) "Sponsor" means any county or city initiating and undertaking~~  
31 ~~a public improvement.~~

32       ~~(10) "Tax allocation base value of real property" means the true~~  
33 ~~and fair value of real property within an apportionment district for~~  
34 ~~the year in which the apportionment district was established.~~

35       ~~(11) "Tax allocation bonds" means any bonds, notes, or other~~  
36 ~~obligations issued by a sponsor pursuant to section 10 of this act.~~

37       ~~(12) "Tax allocation revenues" means those tax revenues allocated~~  
38 ~~to a sponsor under RCW 39.88.070(1)(b).~~

1       ~~(13) "Taxing districts" means any governmental entity which~~  
2 ~~levies or has levied for it regular property taxes upon real property~~  
3 ~~located within a proposed or approved apportionment district.~~

4       ~~(14) "Urban area" means an area in a city or located outside of a~~  
5 ~~city that is characterized by intensive use of the land for the~~  
6 ~~location of structures and receiving such urban services as sewers,~~  
7 ~~water, and other public utilities and services normally associated~~  
8 ~~with urbanized areas. Not more than twenty five percent of the area~~  
9 ~~within the urban area proposed apportionment district may be vacant~~  
10 ~~land.~~

11       ~~(15) "Value of taxable property" means value of taxable property~~  
12 ~~as defined in RCW 39.36.015)) special property taxes are to be levied~~  
13 ~~and collected to finance a public improvement contained therein.~~

14       (2) "City" means any city or town.

15       (3) "Community benefit activities" means activities undertaken to  
16 meet the affordable housing, conservation, social equity, and other  
17 public goals as described in section 2 of this act.

18       (4) "County" means any county of the state of Washington.

19       (5) "Ordinance" means an ordinance, resolution, or any other  
20 appropriate method of taking a legislative action by the legislative  
21 authority of a county or city, whether known as a statute,  
22 resolution, ordinance, or otherwise.

23       (6) "Public improvements" means:

24       (a) Public infrastructure improvements, including acquisition,  
25 construction, improvement, expansion, extension, or maintenance of  
26 the following:

27       (i) Street, road, bridge, and rail improvements;

28       (ii) Water and sewer systems;

29       (iii) Sidewalks, streetlights, landscaping, and streetscaping;

30       (iv) Parking, terminal, and dock facilities;

31       (v) Park and ride facilities;

32       (vi) Park facilities, recreational areas, and environmental  
33 remediation activities;

34       (vii) Storm water and drainage management systems; and

35       (viii) Electric, gas, fiber, and other utility infrastructure;

36 and

37       (b) Expenditures for any of the following purposes:

38       (i) Providing maintenance and security for public improvements or  
39 for common or public areas in the apportionment district; or

1 (ii) Historic preservation assets and activities authorized under  
2 RCW 35.21.395; or

3 (iii) Costs of establishing and administering the apportionment  
4 district, including without limitation the costs of data collection,  
5 reporting, and accountability activities.

6 (7) "Public improvement costs" means capital expenditures with  
7 respect to public improvements, including without limitation the  
8 costs of design, planning, acquisition, site preparation,  
9 construction, reconstruction, rehabilitation, improvement, and  
10 installation of the public improvement; costs of relocation,  
11 maintenance, and operation of property pending construction of the  
12 public improvement; costs of relocating utilities in connection with  
13 undertaking the public improvement; costs of financing, including  
14 interest during and for a reasonable period after construction, legal  
15 and other professional services, taxes, and insurance; costs of  
16 levying and collecting the special property taxes and complying with  
17 this chapter and other applicable law; costs of operating and  
18 maintaining the public improvements; and administrative costs  
19 reasonably necessary and related to these costs. These costs may  
20 include costs incurred prior to the adoption of the public  
21 improvement ordinance but may not include costs that are satisfied by  
22 revenues from impact fees or other development fees.

23 (8) "Public improvement ordinance" means an ordinance passed  
24 under RCW 39.88.040(1)(d).

25 (9) "Regular property taxes" means regular property taxes as now  
26 or hereafter defined in RCW 84.04.140.

27 (10) "Special property taxes" means the special property taxes  
28 authorized to be levied and collected within an apportionment  
29 district under RCW 39.88.070. Special property taxes are not regular  
30 property taxes for any purpose under this chapter or under any other  
31 provision of law, but special property taxes are "excess real  
32 property taxes" for purposes of RCW 84.36.381 through 84.36.389, are  
33 "real property taxes" for purposes of chapters 84.37 and 84.38 RCW,  
34 are "property taxes" for purposes of chapter 84.39 RCW, and also  
35 constitute "ad valorem taxation" as that term is used in RCW  
36 84.33.040.

37 (11) "Sponsor" means any county or city forming an apportionment  
38 district under this chapter.

1       (12) "Tax allocation base value" means the value of taxable  
2 property within an apportionment district for the year in which the  
3 public improvement ordinance is passed.

4       (13) "Tax allocation bonds" means any bonds, notes, or other  
5 obligations issued or incurred by a sponsor pursuant to RCW  
6 39.88.100.

7       (14) "Tax allocation increment value" means, as of any time of  
8 calculation, the value of taxable property in an apportionment  
9 district in excess of the tax allocation base value within that  
10 apportionment district.

11       (15) "Tax allocation revenues" means those special property tax  
12 revenues levied and collected by a sponsor under RCW 39.88.070(1).

13       (16) "Taxing districts" means any governmental entity which  
14 levies or has levied for its regular property taxes upon real  
15 property located within a proposed or approved apportionment  
16 district.

17       (17) "Value of taxable property" means value of taxable property  
18 as defined in RCW 39.36.015.

19       (18) "Urban area" means an area:

20       (a) In a city; or

21       (b) Located outside of a city within an urban eligible area.

22       (19) "Urban eligible area" means an area inside an urban growth  
23 area as defined in RCW 36.70A.030 that is a growth center, a  
24 transportation center, or a local center. For purposes of this  
25 definition:

26       (a) "Growth center" means an area that is designated as a mixed-  
27 use, manufacturing, or urban center in a land use or transportation  
28 plan adopted by a regional transportation planning organization or an  
29 adopted multicounty or countywide planning policy.

30       (b) "Transportation center" means an area that is within one-half  
31 mile walking distance of:

32       (i) A station where passengers can access a high capacity  
33 transportation system such as a ferry system, airport, fixed guideway  
34 rail system, or designated bus rapid transit line; or

35       (ii) A stop for a bus or other transit mode providing fixed route  
36 service at intervals of at least every thirty minutes during peak  
37 morning commute hours of six to nine a.m.

38       (c) "Local center" means an area that is:

39       (i) Designated as a center in the local comprehensive plan;

- 1        (ii) Zoned to provide for medium or high-density mixed use or  
2 industrial development; and  
3        (iii) Not zoned to permit low density commercial development with  
4 a floor area ratio of one or less.

5        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 39.88  
6 RCW to read as follows:

7        (1) Prior to imposing the special tax authorized in RCW  
8 39.88.070, a sponsor must adopt an ordinance in accordance with  
9 subsection (3) of this section, dedicating to the funding of  
10 community benefit activities an amount equal to twenty percent of the  
11 maximum stated principal amount of tax allocation bonds expected to  
12 be issued as set forth in the public improvement ordinance. Amounts  
13 dedicated to community benefit activities must be in addition to  
14 those treated as having been expended on public improvement costs  
15 under this chapter. The community benefit funding requirement must be  
16 satisfied in accordance with the periodic goals set forth in that  
17 ordinance.

18        (2)(a) For purposes of this chapter, community benefit activities  
19 must include:

20        (i) Activities supporting development of low-income and moderate-  
21 income housing within walking or transit-connected distance of the  
22 apportionment district;

23        (ii) The conservation of open space, forestlands, and farmlands,  
24 including but not limited to the transfer of development rights or  
25 the acquisition for conservation purposes of lands (or conservation  
26 interests therein), which bear a nexus to the location of the  
27 apportionment district. Such a nexus may include without limitation,  
28 location within the same watershed, designation as corresponding  
29 sending and receiving sites for transfer of development rights under  
30 chapter 39.108 RCW, or other similar environmental nexus; and

31        (iii) Activities that further the sponsor's affordable housing,  
32 environmental, and any other social equity and public goals described  
33 in an ordinance passed pursuant to subsection (3) of this section. By  
34 way of example and without limitation, such goals may include:  
35 Retaining small businesses within the apportionment district;  
36 developing the workforce and supporting fair labor practices within  
37 the apportionment district; increasing energy and water use  
38 efficiency, managing wastewater, and conserving natural resources

1 within the apportionment district; and other activities intended to  
2 increase social equity.

3 (b) The amount required to be dedicated to funding community  
4 benefit activities under subsection (1) of this section must be  
5 allocated among the purposes set forth in (a) of this subsection (2)  
6 by the legislative body of the sponsor in an ordinance adopted  
7 pursuant to subsection (3) of this section. The legislative authority  
8 of the sponsor must set the allocation after opportunity for public  
9 comment. However, no more than twenty percent of the available  
10 funding may be dedicated to the purposes described in (a)(iii) of  
11 this subsection (2), and the remaining available funding must be  
12 divided among the purposes described in (a)(i) and (ii) of this  
13 subsection (2).

14 (3) The sponsor's legislative authority must adopt an ordinance  
15 after opportunity for public comment, which sets periodic goals for  
16 the timing of funding community benefit activities during successive  
17 reporting periods of up to five calendar years each:

18 (a) The first such reporting period must begin with the calendar  
19 year during which the special property tax under RCW 39.88.070 is  
20 first collected. The last such required reporting period ends with  
21 the earlier of:

22 (i) The last calendar year during which the special property tax  
23 authorized in RCW 39.88.070 is collected; or

24 (ii) The total community benefit funding requirement has been  
25 satisfied.

26 (b) In setting the funding goals, the sponsor may take into  
27 account projected revenues of the special property tax, projected  
28 debt service coverage ratios set forth in covenants made or entered  
29 into in connection with the issuance of tax allocation bonds, and  
30 other relevant factors. "Debt service coverage ratio" means the ratio  
31 of projected tax allocation revenues to the expected aggregate annual  
32 debt service on tax allocation bonds.

33 (c) At a minimum, the funding goals must provide that within the  
34 first year of the first reporting period, an amount equal to five  
35 percent of the maximum stated principal amount of tax allocation  
36 bonds expected to be issued (as set forth in the public improvement  
37 ordinance) must be dedicated to the acquisition of real property, or  
38 an interest therein, to be made available for the development of low-  
39 income and moderate-income housing within walking or transit-  
40 connected distance of the apportionment district. A sponsor may meet

1 this goal by depositing such amount with the Washington state housing  
2 finance commission, created under chapter 43.180 RCW, with a public  
3 housing authority or by acquiring the real property directly. This  
4 amount must be deemed a portion of the allocation dedicated to the  
5 purposes under subsection (2)(a) of this section.

6 (d) The ordinance may be combined with the public improvement  
7 ordinance or may be a separate ordinance.

8 (4) A sponsor is held accountable for meeting its periodic  
9 community benefit funding goals as follows:

10 (a) As soon as practicable after the June 1st that follows the  
11 end of each reporting period, the finance officer (or other  
12 administrative officer) of the sponsor must report to the legislative  
13 authority of the sponsor at a regular meeting on the amount dedicated  
14 by the sponsor to community benefit activities under this section on  
15 an annual basis and in total over the preceding reporting period. The  
16 report must also include a description of the sponsor's goals for  
17 timing of dedication of community benefit funding over the preceding  
18 reporting period and the total goals set forth in the ordinance  
19 adopted pursuant to subsection (3) of this section. After receiving  
20 the report, the legislative body must make a determination as to  
21 whether the sponsor has met its goals over that reporting period.

22 (b) If a sponsor determines that it has not met its goals for  
23 funding community benefit activities over the reporting period, or if  
24 a taxpayer challenge under (c) of this subsection is upheld, then on  
25 or before the next January 1st, the sponsor must pay the amount by  
26 which the sponsor fell short of its goal for that period, in  
27 accordance with the proportional allocation established under  
28 subsection (3)(b) of this section, for the purposes of furthering the  
29 community benefit activities described in the ordinance adopted under  
30 subsection (3) of this section, as follows:

31 (i) For the purposes of meeting any obligation to fund the  
32 activities under subsection (2)(a)(i) of this section, to the housing  
33 trust fund created pursuant to chapter 43.185 RCW, to the housing  
34 finance commission created pursuant to chapter 43.180 RCW, or to a  
35 local housing authority; and

36 (ii) For meeting obligations pursuant to subsection (2)(a)(ii) of  
37 this section, to a rural conservation fund established by the sponsor  
38 or to a qualified county agency or accredited land trust.

39 (c) Any person who pays the special property tax levied within  
40 the apportionment district may challenge the sponsor's determination

1 that it has met its community benefit activity funding goals during  
2 the preceding reporting period by filing an objection with the clerk  
3 of the sponsor's legislative body within thirty days after the date  
4 of the sponsor's determination. Upon receipt of such an objection,  
5 the clerk must forward such objection to the chair of the legislative  
6 body who must schedule at the next practicable opportunity, a public  
7 hearing at which the matter of the community benefit funding goals  
8 must be heard. Notice of the public hearing must be mailed to the  
9 taxpayer submitting the objection and must be given in accordance  
10 with the requirements for giving notice of a special meeting under  
11 RCW 42.30.080. If, after due consideration, the legislative body  
12 determines that the sponsor has not met the community benefit funding  
13 goals, the remedy in (b) of this subsection applies. If the  
14 legislative body determines that the sponsor has met the community  
15 benefit funding goals, the taxpayer has the right to bring action in  
16 superior court to compel payment of the amounts required under (b) of  
17 this subsection.

18 (5) The legislative authority of a sponsor may periodically amend  
19 the community benefit funding goals after opportunity for public  
20 comment, so long as the overall goals remain consistent with the  
21 allocation requirements of subsection (2) of this section. If a  
22 sponsor has not issued the maximum amount of tax allocation bonds set  
23 forth in the public improvement ordinance by the date that is five  
24 years after that ordinance was passed, the legislative body may by  
25 ordinance revise downward the maximum expected amount of such bonds  
26 and the amounts required to be dedicated to the community benefit  
27 funding goals must be adjusted accordingly.

28 (6) The community benefit funding requirement expires at the  
29 earlier of thirty years after the special property tax under RCW  
30 39.88.070 is first collected or when the total community benefit  
31 funding requirement has been satisfied. A sponsor may at any time  
32 satisfy all or a portion of its community benefit funding requirement  
33 by contributing money, in accordance with the allocations pursuant to  
34 subsection (2) of this section to one or more of the entities listed  
35 in subsection (4)(b) of this section.

36 (7) Nothing in this section may be deemed to permit expenditures  
37 of public funds prohibited by Article VIII, sections 5 or 7 of the  
38 state Constitution. Nothing in this section may be interpreted to  
39 grant to any sponsor the authority to engage in any community benefit

1 activities that are not otherwise authorized to be undertaken by the  
2 sponsor.

3 **Sec. 3.** RCW 39.88.030 and 1982 1st ex.s. c 42 s 4 are each  
4 amended to read as follows:

5 (1) Only public improvements which are determined by the  
6 legislative authority of the sponsor to meet the following criteria  
7 are eligible to be financed under this chapter:

8 (a) The public improvement is located within an urban area;

9 (b) The public improvement will encourage private development  
10 within the apportionment district;

11 (c) The public improvement will increase the ((fair—market))  
12 assessed value of the real property located within the apportionment  
13 district;

14 (d) The private development which is anticipated to occur within  
15 the apportionment district as a result of the public improvement is  
16 consistent with an existing comprehensive land use plan and approved  
17 growth policies of the jurisdiction within which it is located;

18 (e) A public improvement located within a city has been approved  
19 by the legislative authority of such city; and

20 (f) A public improvement located ((within an urban area in an  
21 unincorporated area has been approved by the legislative authority of  
22 the county within whose boundaries the area lies.

23 ~~(2) Apportionment of regular property tax revenues to finance the  
24 public improvements is subject to the following limitations:~~

25 ~~(a) No apportionment of regular property tax revenues may take  
26 place within a previously established apportionment district where  
27 regular property taxes are still apportioned to finance public  
28 improvements without the concurrence of the sponsor which established  
29 the district;~~

30 ~~(b) No apportionment district may be established which includes  
31 any geographic area included within a previously established  
32 apportionment district which has outstanding bonds payable in whole  
33 or in part from tax allocation revenues;~~

34 ~~(c) The total amount of outstanding bonds payable in whole or in  
35 part from tax allocation revenues arising from property located  
36 within a city shall not exceed two percent of the value of taxable  
37 property within the city, and the total amount of outstanding bonds  
38 payable in whole or in part from tax allocation revenues arising from  
39 property located within the unincorporated areas of a county shall~~

1 ~~not exceed two percent of the value of taxable property within the~~  
2 ~~entire unincorporated area of the county; and~~

3 ~~(d) No taxes other than regular property taxes may be apportioned~~  
4 ~~under this chapter.~~

5 ~~(3) Public improvements)) in an unincorporated area has been~~  
6 ~~approved by the legislative authority of the county within whose~~  
7 ~~boundaries the apportionment district lies and by the legislative~~  
8 ~~authority of a city having a nexus to the urban growth area in which~~  
9 ~~the apportionment district lies, if any.~~

10 ~~(2) The levying and collection of special property tax revenues~~  
11 ~~to finance the public improvements may take place within a previously~~  
12 ~~established apportionment district where special property taxes are~~  
13 ~~still levied and collected to finance public improvements without the~~  
14 ~~concurrence of the sponsor which established the previously~~  
15 ~~established district.~~

16 ~~(3) Public improvements and community benefit activities may be~~  
17 ~~undertaken and coordinated with other programs or efforts undertaken~~  
18 ~~by the sponsor or others and may be funded in whole or in part from~~  
19 ~~sources other than those provided by this chapter.~~

20 **Sec. 4.** RCW 39.88.040 and 1982 1st ex.s. c 42 s 5 are each  
21 amended to read as follows:

22 ~~(1) Public improvements funded by tax allocation revenues may~~  
23 ~~only be located within ((an urban area. In order to secure an~~  
24 ~~allocation of regular property taxes to finance a public improvement,~~  
25 ~~a sponsor shall:~~

26 ~~(1) Propose by ordinance a plan for the public improvement which~~  
27 ~~includes a description of the contemplated public improvement, the~~  
28 ~~estimated cost thereof, the boundaries of the apportionment district,~~  
29 ~~the estimated period during which tax revenue apportionment is~~  
30 ~~contemplated, and the ways in which the sponsor plans to use tax~~  
31 ~~allocation revenues to finance the public improvement, and which sets~~  
32 ~~at least three public hearings thereon before the legislative~~  
33 ~~authority of the sponsor or a committee thereof: PROVIDED, That~~  
34 ~~public hearings for the public improvement that is undertaken in~~  
35 ~~combination or coordination by two or more sponsors may be held~~  
36 ~~jointly; and public hearings, held before the legislative authority~~  
37 ~~or a committee of a majority thereof may be combined with public~~  
38 ~~hearings held for other purposes;~~

39 ~~(2) At least fifteen days in advance of the hearing:~~

1       ~~(a) Deliver notice of the hearing to all taxing districts, the~~  
2 ~~county treasurer, and the county assessor, which notice includes a~~  
3 ~~map or drawing showing the location of the contemplated public~~  
4 ~~improvement and the boundaries of the proposed apportionment~~  
5 ~~district, a brief description of the public improvement, the~~  
6 ~~estimated cost thereof, the anticipated increase in property values~~  
7 ~~within the apportionment district, the location of the sponsor's~~  
8 ~~principal business office where it will maintain information~~  
9 ~~concerning the public improvement for public inspection, and the date~~  
10 ~~and place of hearing; and~~

11       ~~(b) Post notice in at least six public places located in the~~  
12 ~~proposed apportionment district and publish notice in a legal~~  
13 ~~newspaper of general circulation within the sponsor's jurisdiction~~  
14 ~~briefly describing the public improvement, the proposed~~  
15 ~~apportionment, the boundaries of the proposed apportionment district,~~  
16 ~~the location where additional information concerning the public~~  
17 ~~improvement may be inspected, and the date and place of hearing;~~

18       ~~(3) At the time and place fixed for the hearing under subsection~~  
19 ~~(1) of this section, and at such times to which the hearing may be~~  
20 ~~adjourned, receive and consider all statements and materials as may~~  
21 ~~be submitted, and objections and letters filed before or within ten~~  
22 ~~days thereafter;~~

23       ~~(4) Within one hundred twenty days after completion of the public~~  
24 ~~hearings, pass an ordinance establishing the apportionment district~~  
25 ~~and authorizing the proposed public improvement, including any~~  
26 ~~modifications which in the sponsor's opinion the hearings indicated~~  
27 ~~should be made, which includes the boundaries of the apportionment~~  
28 ~~district, a description of the public improvement, the estimated cost~~  
29 ~~thereof, the portion of the estimated cost thereof to be reimbursed~~  
30 ~~from tax allocation revenues, the estimated time during which regular~~  
31 ~~property taxes are to be apportioned, the date upon which~~  
32 ~~apportionment of the regular property taxes will commence, and a~~  
33 ~~finding that the public improvement meets the conditions of RCW~~  
34 ~~39.88.030)) or serve an apportionment district. In order to levy and~~  
35 ~~collect special property taxes to finance a public improvement, a~~  
36 ~~sponsor must:~~

37       ~~(a)(i) Propose by ordinance a plan for the public improvements~~  
38 ~~which includes a description of the contemplated public improvements,~~  
39 ~~the estimated cost thereof, the boundaries of the apportionment~~  
40 ~~district, the maximum period (not to exceed thirty years) during~~

1 which the special property tax is to be levied and collected, the  
2 maximum aggregate stated principal amount of tax allocation bonds  
3 expected to be issued (not including accreted value of capital  
4 appreciation bonds), the anticipated level of funding for community  
5 benefit activities under section 2 of this act, and the ways in which  
6 the sponsor plans to use special property tax revenues to finance the  
7 public improvements.

8 (ii) The public improvement ordinance must also include the  
9 following findings:

10 (A) The public improvements proposed to be financed in whole or  
11 in part using apportionment district financing are expected to  
12 encourage private development within the apportionment district and  
13 to increase the assessed value of real property within the  
14 apportionment district, improve the viability of existing business  
15 entities, or increase employment or affordable housing availability  
16 proximate to the apportionment district;

17 (B) Private development that is anticipated to occur within the  
18 apportionment district as a result of the public improvements is  
19 consistent with: (I) The countywide planning policy adopted by the  
20 county under RCW 36.70A.210; (II) the sponsor's comprehensive plan;  
21 and (III) development regulations adopted under chapter 36.70A RCW;

22 (C) The use of the financing tool under this act will promote  
23 economic development or redevelopment within the apportionment  
24 district and the sponsor will meet the requirements for funding  
25 community benefit activities under section 2 of this act; and

26 (D) The proposed apportionment district will not be used for the  
27 purpose of encouraging the relocation of a business from outside the  
28 apportionment district, but within the state, into the apportionment  
29 district, unless the governing body of the sponsor finds, based on  
30 evidence provided to the apportionment district, that the firm being  
31 relocated would otherwise be likely to leave the state.

32 (iii) The public improvement ordinance must provide for one or  
33 more public hearings on the question of forming the apportionment  
34 district, which must be held before the legislative authority of the  
35 sponsor or a committee thereof. However, public hearings for  
36 formation of an apportionment district that is undertaken in  
37 combination or coordination by two or more sponsors may be held  
38 jointly; and public hearings held before the legislative authority or  
39 a committee of a majority thereof may be combined with public  
40 hearings held for other purposes;

1 (b) At least fifteen days in advance of the hearing:

2 (i) Deliver notice of the hearing to all taxing districts, the  
3 county treasurer, the county assessor, and the owners or reputed  
4 owners of all lots, tracts, and parcels of land within the proposed  
5 apportionment district, as shown on the rolls of the county assessor  
6 and directed to the address shown thereon. The notice must include a  
7 map or drawing showing the approximate locations of the contemplated  
8 public improvements and the boundaries of the proposed apportionment  
9 district, a brief description of the proposed public improvement(s)  
10 and the estimated cost thereof, the anticipated level of funding for  
11 community benefit activities under section 2 of this act, the maximum  
12 aggregate stated principal amount of tax allocation bonds expected to  
13 be issued (not including accreted value of capital appreciation  
14 bonds), the maximum period during which the special property tax is  
15 to be levied and collected, the anticipated increase in assessed  
16 values within the apportionment district, the location of the  
17 sponsor's principal business office where it will maintain  
18 information concerning the public improvements for public inspection,  
19 and the date and place of hearing; and

20 (ii) Post notice in at least three public places located in the  
21 proposed apportionment district and publish notice in a legal  
22 newspaper of general circulation within the sponsor's jurisdiction  
23 briefly describing the public improvements, the proposed special  
24 property taxes, the boundaries of the proposed apportionment  
25 district, the location where additional information concerning the  
26 public improvements may be inspected, and the date and place of  
27 hearing;

28 (c) At the time and place fixed for the hearing under subsection  
29 (1)(a) of this section, and at such times to which the hearing may be  
30 adjourned, receive and consider all statements and materials as may  
31 be submitted, and objections and letters filed before or within ten  
32 days thereafter;

33 (d) Not earlier than ten days and not more than one hundred  
34 twenty days after completion of the public hearing or hearings, pass  
35 the public improvement ordinance establishing the apportionment  
36 district and authorizing the proposed public improvements, including  
37 any modifications which the legislative authority of the sponsor  
38 deems appropriate, which includes the boundaries of the apportionment  
39 district, a description of the public improvements, the estimated  
40 cost thereof, the maximum aggregate stated principal amount of tax

1 allocation bonds expected to be issued (not including accreted value  
2 of capital appreciation bonds), the date upon which the levying and  
3 collection of the special property taxes will commence, the maximum  
4 period during which the special property tax is to be levied and  
5 collected, and a finding that the formation of the apportionment  
6 district meets the conditions of RCW 39.88.030 and of section 2 of  
7 this act;

8 (2) The authority of the sponsor to proceed with the levying and  
9 collection of special property taxes within an apportionment district  
10 will be divested by a protest, filed with the legislative authority  
11 of the sponsor within thirty days after the date of passage of the  
12 public improvement ordinance, signed by either:

13 (a) The owners of the property within the apportionment district  
14 representing more than fifty percent of the value of taxable property  
15 within that apportionment district as reflected on rolls of the  
16 county assessor for the year in which the ordinance is passed; or

17 (b) The owners of sixty-five percent of the parcels comprising  
18 the apportionment district as reflected on rolls of the county  
19 assessor for the year in which the ordinance is passed.

20 **Sec. 5.** RCW 39.88.070 and 1982 1st ex.s. c 42 s 8 are each  
21 amended to read as follows:

22 (1) Upon the date established in the public improvement  
23 ordinance, but not ~~((sooner than the first day of the calendar year~~  
24 ~~following the passage of the ordinance, the regular property taxes~~  
25 ~~levied upon the assessed value of real property within the~~  
26 ~~apportionment district shall be divided as follows:~~

27 ~~(a) That portion of the regular property taxes produced by the~~  
28 ~~rate of tax levied each year by or for each of the taxing districts~~  
29 ~~upon the tax allocation base value of real property, or upon the~~  
30 ~~assessed value of real property in each year, whichever is smaller,~~  
31 ~~shall be allocated to and paid to the respective taxing districts;~~  
32 ~~and~~

33 ~~(b) That portion of the regular property taxes levied each year~~  
34 ~~by or for each of the taxing districts upon the assessed value of~~  
35 ~~real property within an apportionment district which is in excess of~~  
36 ~~the tax allocation base value of real property shall be allocated and~~  
37 ~~paid to the sponsor, or the sponsor's designated agent, until all~~  
38 ~~public improvement costs to be paid from the tax allocation revenues~~  
39 ~~have been paid, except that the sponsor may agree to receive less~~

1 than the full amount of such portion as long as bond debt service,  
2 reserve, and other bond covenant requirements are satisfied, in which  
3 case the balance of the taxes shall be allocated to the respective  
4 taxing districts as the sponsor and the taxing districts may agree.

5 (2) The county assessor shall revalue the real property within  
6 the apportionment district for the purpose of determining the tax  
7 allocation base value for the apportionment district and shall  
8 certify to the sponsor the tax allocation base value as soon as  
9 practicable after the assessor receives notice of the public  
10 improvement ordinance and shall certify to the sponsor the total  
11 assessed value of real property within thirty days after the property  
12 values for each succeeding year have been established, except that  
13 the assessed value of state-assessed real property within the  
14 apportionment district shall be certified as soon as the values are  
15 provided to the assessor by the department of revenue. Nothing in  
16 this section authorizes revaluations of real property by the assessor  
17 for property taxation that are not made in accordance with the  
18 assessor's revaluation plan under chapter 84.41 RCW.

19 (3) The date upon which the apportionment district was  
20 established shall be considered the date upon which the public  
21 improvement ordinance was enacted by the sponsor.

22 (4) The apportionment of regular property taxes under this  
23 section shall cease when tax allocation revenues are no longer  
24 necessary or obligated to pay public improvement costs or to pay  
25 principal of and interest on bonds issued to finance public  
26 improvement costs and payable in whole or in part from tax allocation  
27 revenues. At the time of termination of the apportionment, any excess  
28 money and any earnings thereon held by the sponsor shall be returned  
29 to the county treasurer and distributed to the taxing districts which  
30 were subject to the allocation in proportion to their regular  
31 property tax levies due for the year in which the funds are  
32 returned)) earlier than the first day of the calendar year following  
33 the passage of the ordinance and no earlier than would be permitted  
34 under RCW 84.09.030:

35 (a) Regular property taxes levied upon the property within the  
36 apportionment district by taxing districts must continue to be  
37 collected in accordance with applicable law, without regard to the  
38 existence of the apportionment district or the special property taxes  
39 levied or collected therein; and

1       (b)(i) The sponsor may levy upon the value of taxable property  
2 within the apportionment district, and collect special property taxes  
3 in amounts not in excess of the amounts the legislative authority of  
4 the sponsor deems necessary to provide for the purposes set forth in  
5 RCW 39.88.080, but in annual amounts not in excess of one percent of  
6 the tax allocation increment value within the apportionment district.

7       (ii) Special property taxes collected within an apportionment  
8 district must be paid to the sponsor, or the sponsor's designated  
9 agent, until all public improvement costs and tax allocation bonds  
10 issued or incurred to be paid from the tax allocation revenues have  
11 been paid and the community benefit funding goals have been met, but  
12 in no event may special property taxes be collected longer than the  
13 maximum period set forth in the public improvement ordinance.

14       (2) Special property taxes are not regular property taxes and are  
15 not subject to the limitations imposed by Article VII, section 2 of  
16 the Washington state Constitution and are in excess of all statutory  
17 and charter limitations otherwise applicable to property taxes.

18       (3) The county assessor must determine the value of the taxable  
19 property within the apportionment district according to the final  
20 assessment roll established for the calendar year in which the public  
21 improvement ordinance is enacted for the purpose of determining the  
22 tax allocation base value for the apportionment district and must  
23 certify to the sponsor the tax allocation base value as soon as  
24 practicable after the assessor receives notice of the public  
25 improvement ordinance and must certify to the sponsor the total value  
26 of taxable property within thirty days after the property values for  
27 each succeeding year have been established, except that the assessed  
28 value of state-assessed real property within the apportionment  
29 district must be certified as soon as the values are provided to the  
30 assessor by the department of revenue. Nothing in this section  
31 authorizes revaluations of real property by the assessor for property  
32 taxation that are not made in accordance with the assessor's  
33 revaluation plan under chapter 84.41 RCW.

34       (4) The date upon which the apportionment district was  
35 established is the date upon which the public improvement ordinance  
36 was enacted by the sponsor.

37       (5) The collection of special property taxes within an  
38 apportionment district under this section must cease when tax  
39 allocation revenues are no longer necessary or obligated to pay  
40 public improvement costs, to satisfy community benefit funding goals

1 or to pay tax allocation bonds, but in no event may special property  
2 taxes be collected longer than the maximum period set forth in the  
3 public improvement ordinance. At the time of termination of the  
4 collection of those special property taxes, any excess money and any  
5 earnings thereon held by the sponsor must be spent on costs of public  
6 improvements or on funding for community benefit activities.

7 (6) For purposes of Title 84 RCW, an apportionment district is  
8 deemed a "taxing district" and any special property tax levy is  
9 deemed a levy of the apportionment district, separate from any other  
10 tax levy of the sponsor.

11 **Sec. 6.** RCW 39.88.080 and 1982 1st ex.s. c 42 s 9 are each  
12 amended to read as follows:

13 (1) Tax allocation revenues may be applied, in no particular  
14 order, as follows:

15 ~~((1))~~ (a) To pay for public improvements including public  
16 improvement costs;

17 ~~((2))~~ (b) To ~~((pay))~~ provide for payments with respect to  
18 principal of and interest on, and to fund any necessary reserves for,  
19 tax allocation bonds;

20 ~~((3) To pay into bond funds established to pay the principal of~~  
21 ~~and interest on general obligation bonds issued pursuant to law to~~  
22 ~~finance public facilities that are specified in the public~~  
23 ~~improvement ordinance and constructed following the establishment of~~  
24 ~~and within the apportionment district; or~~

25 ~~(4))~~ (c) To fund community benefit activities in accordance with  
26 section 2 of this act; or

27 (d) To pay any combination of the foregoing.

28 (2) In the event that the legislative authority of a sponsor  
29 determines that public improvements specified in the public  
30 improvement ordinance are impracticable to carry out, or if unspent  
31 tax allocation bond proceeds or tax allocation revenues remain after  
32 the completion of the public improvements specified in the public  
33 improvement ordinance, the legislative authority may by ordinance  
34 authorize expenditure of the remaining bond proceeds and tax  
35 allocation revenues to retire or defease those bonds or on other  
36 costs of public improvements, after holding a hearing with public  
37 notice given substantially in accordance with the procedure described  
38 in RCW 39.88.040(1)(b). No such change of use of tax allocation  
39 revenues or the proceeds of tax allocation bonds may permit an

1 increase in the maximum period of time during which the special  
2 property tax is to be levied and collected, or permit an increase in  
3 the total amount of the estimated cost to be paid from special  
4 property taxes or from tax allocation bonds as set forth in the  
5 public improvement ordinance. Upon the retirement or defeasance of  
6 all tax allocation bonds secured by special property taxes levied and  
7 collected within an apportionment district, any remaining tax  
8 allocation revenues must be spent to fund public improvement costs or  
9 community benefit activities specified in accordance with section 2  
10 of this act.

11 **Sec. 7.** RCW 39.88.100 and 1982 1st ex.s. c 42 s 11 are each  
12 amended to read as follows:

13 (1) A sponsor may issue such tax allocation bonds as it may deem  
14 appropriate for the financing of public improvement costs and a  
15 reasonable bond reserve and for the refunding of any outstanding tax  
16 allocation bonds.

17 (2) The principal and interest of tax allocation bonds may be  
18 made payable from:

19 (a) Tax allocation revenues;

20 (b) Project revenues which may include (i) nontax income,  
21 revenues, fees, and rents from the public improvement financed with  
22 the proceeds of the bonds, or portions thereof, and (ii)  
23 contributions, grants, and nontax money available to the sponsor for  
24 payment of costs of the public improvement or the debt service of the  
25 bonds issued therefor;

26 (c) Proceeds of tax allocation bonds, if needed to capitalize  
27 interest for up to thirty-six months following completion of  
28 construction, or as necessary to accomplish a refunding or  
29 refinancing of a prior issue of tax allocation bonds, consistent with  
30 applicable federal tax regulations;

31 (d) The full faith and credit of the sponsor or of any other  
32 taxing district (provision of which is declared to be a proper  
33 purpose for any such taxing district) payable from annual ad valorem  
34 taxes to be levied within the constitutional and statutory tax  
35 limitations provided by law without a vote of the electors of the  
36 sponsor or other taxing district on all of the taxable property  
37 within the boundaries of that sponsor or other taxing district; or

38 (e) Any combination of the foregoing.

1           (3) Except and to the extent that a sponsor or other taxing  
2 district has expressly pledged its full faith and credit to the  
3 payment of tax allocation bonds, tax allocation bonds ((shall)) may  
4 not be the general obligation of or guaranteed by all or any part of  
5 the full faith and credit of the sponsor or any other state or local  
6 government, or any tax revenues other than tax allocation revenues,  
7 and ((shall)) may not be considered a debt of the sponsor or other  
8 state or local government for general indebtedness limitation  
9 purposes.

10           (4) The terms and conditions of tax allocation bonds may include  
11 provisions for the following matters, among others:

12           (a) The date of issuance, maturity date or dates, denominations,  
13 form, series, negotiability, registration, rank or priority, place of  
14 payment, interest rate or rates which may be fixed or may vary over  
15 the life of the tax allocation bonds, bond reserve, coverage, and  
16 such other terms related to repayment of the tax allocation bonds;

17           (b) The application of tax allocation bond proceeds; the use,  
18 sale, or disposition of property acquired; consideration or rents and  
19 fees to be charged in the sale or lease of property acquired;  
20 consideration or rents and fees to be charged in the sale or lease of  
21 property within a public improvement; the application of rents, fees,  
22 and revenues within a public improvement; the maintenance, insurance,  
23 and replacement of property within a public improvement; other  
24 encumbrances, if any, upon all or part of property within a public  
25 improvement, then existing or thereafter acquired; and the type of  
26 debts that may be incurred;

27           (c) The creation of special funds; the money to be so applied;  
28 and the use and disposition of the money;

29           (d) The securing of the tax allocation bonds by a pledge of  
30 property and property rights, by assignment of income generated by  
31 the public improvement, or by pledging such additional specifically  
32 described resources other than tax revenues as are available to the  
33 sponsor;

34           (e) The terms and conditions for redemption;

35           (f) The replacement of lost and destroyed bond instruments;

36           (g) Procedures for amendment of the terms and conditions of the  
37 tax allocation bonds;

38           (h) The powers of a trustee to enforce covenants and take other  
39 actions in event of default; the rights, liabilities, powers, and

1 duties arising upon the breach of any covenant, condition, or  
2 obligation; and

3 (i) When consistent with the terms of this chapter, such other  
4 terms, conditions, and provisions which may make the tax allocation  
5 bonds more marketable and further the purposes of this chapter.

6 (5) Tax allocation bonds may be issued and sold in such manner as  
7 the legislative authority of the sponsor (~~shall determine~~)  
8 determines. Notwithstanding anything in subsection (4) of this  
9 section, tax allocation bonds may be issued and sold in accordance  
10 with chapter 39.46 RCW.

11 (6) The sponsor may also issue or incur obligations in  
12 anticipation of the receipt of tax allocation bond proceeds or other  
13 money available to pay public improvement costs.

14 (7) Nothing in this section grants a sponsor authority to issue  
15 tax allocation bonds payable solely from revenues of a project  
16 constituting a community benefit activity involving the provision of  
17 housing or nonprofit facilities in duplication of the authority of  
18 the Washington state housing finance commission under chapter 43.180  
19 RCW.

20 **Sec. 8.** RCW 84.52.043 and 2011 c 275 s 2 are each amended to  
21 read as follows:

22 Within and subject to the limitations imposed by RCW 84.52.050 as  
23 amended, the regular ad valorem tax levies upon real and personal  
24 property by the taxing districts hereafter named are as follows:

25 (1) Levies of the senior taxing districts are as follows: (a) The  
26 levy by the state may not exceed three dollars and sixty cents per  
27 thousand dollars of assessed value adjusted to the state equalized  
28 value in accordance with the indicated ratio fixed by the state  
29 department of revenue to be used exclusively for the support of the  
30 common schools; (b) the levy by any county may not exceed one dollar  
31 and eighty cents per thousand dollars of assessed value; (c) the levy  
32 by any road district may not exceed two dollars and twenty-five cents  
33 per thousand dollars of assessed value; and (d) the levy by any city  
34 or town may not exceed three dollars and thirty-seven and one-half  
35 cents per thousand dollars of assessed value. However any county is  
36 hereby authorized to increase its levy from one dollar and eighty  
37 cents to a rate not to exceed two dollars and forty-seven and one-  
38 half cents per thousand dollars of assessed value for general county  
39 purposes if the total levies for both the county and any road

1 district within the county do not exceed four dollars and five cents  
2 per thousand dollars of assessed value, and no other taxing district  
3 has its levy reduced as a result of the increased county levy.

4 (2) The aggregate levies of junior taxing districts and senior  
5 taxing districts, other than the state, may not exceed five dollars  
6 and ninety cents per thousand dollars of assessed valuation. The term  
7 "junior taxing districts" includes all taxing districts other than  
8 the state, counties, road districts, cities, towns, apportionment  
9 districts established under chapter 39.88 RCW, port districts, and  
10 public utility districts. The limitations provided in this subsection  
11 do not apply to: (a) Levies at the rates provided by existing law by  
12 or for any port or public utility district; (b) excess property tax  
13 levies authorized in Article VII, section 2 of the state  
14 Constitution; (c) levies for acquiring conservation futures as  
15 authorized under RCW 84.34.230; (d) levies for emergency medical care  
16 or emergency medical services imposed under RCW 84.52.069; (e) levies  
17 to finance affordable housing for very low-income housing imposed  
18 under RCW 84.52.105; (f) the portions of levies by metropolitan park  
19 districts that are protected under RCW 84.52.120; (g) levies imposed  
20 by ferry districts under RCW 36.54.130; (h) levies for criminal  
21 justice purposes under RCW 84.52.135; (i) the portions of levies by  
22 fire protection districts that are protected under RCW 84.52.125; (j)  
23 levies by counties for transit-related purposes under RCW 84.52.140;  
24 (~~and~~) (k) the protected portion of the levies imposed under RCW  
25 86.15.160 by flood control zone districts in a county with a  
26 population of seven hundred seventy-five thousand or more that are  
27 coextensive with a county; and (l) levies by or for apportionment  
28 districts established under chapter 39.88 RCW.

29 **Sec. 9.** RCW 84.52.043 and 2009 c 551 s 6 are each amended to  
30 read as follows:

31 Within and subject to the limitations imposed by RCW 84.52.050 as  
32 amended, the regular ad valorem tax levies upon real and personal  
33 property by the taxing districts hereafter named (~~shall be~~) are as  
34 follows:

35 (1) Levies of the senior taxing districts (~~shall~~) must be as  
36 follows: (a) The levy by the state (~~shall~~) may not exceed three  
37 dollars and sixty cents per thousand dollars of assessed value  
38 adjusted to the state equalized value in accordance with the  
39 indicated ratio fixed by the state department of revenue to be used

1 exclusively for the support of the common schools; (b) the levy by  
2 any county shall not exceed one dollar and eighty cents per thousand  
3 dollars of assessed value; (c) the levy by any road district shall  
4 not exceed two dollars and twenty-five cents per thousand dollars of  
5 assessed value; and (d) the levy by any city or town shall not exceed  
6 three dollars and thirty-seven and one-half cents per thousand  
7 dollars of assessed value. However any county is hereby authorized to  
8 increase its levy from one dollar and eighty cents to a rate not to  
9 exceed two dollars and forty-seven and one-half cents per thousand  
10 dollars of assessed value for general county purposes if the total  
11 levies for both the county and any road district within the county do  
12 not exceed four dollars and five cents per thousand dollars of  
13 assessed value, and no other taxing district has its levy reduced as  
14 a result of the increased county levy.

15 (2) The aggregate levies of junior taxing districts and senior  
16 taxing districts, other than the state, shall not exceed five dollars  
17 and ninety cents per thousand dollars of assessed valuation. The term  
18 "junior taxing districts" includes all taxing districts other than  
19 the state, counties, road districts, cities, towns, apportionment  
20 districts established under chapter 39.88 RCW, port districts, and  
21 public utility districts. The limitations provided in this subsection  
22 shall not apply to: (a) Levies at the rates provided by existing law  
23 by or for any port or public utility district; (b) excess property  
24 tax levies authorized in Article VII, section 2 of the state  
25 Constitution; (c) levies for acquiring conservation futures as  
26 authorized under RCW 84.34.230; (d) levies for emergency medical care  
27 or emergency medical services imposed under RCW 84.52.069; (e) levies  
28 to finance affordable housing for very low-income housing imposed  
29 under RCW 84.52.105; (f) the portions of levies by metropolitan park  
30 districts that are protected under RCW 84.52.120; (g) levies imposed  
31 by ferry districts under RCW 36.54.130; (h) levies for criminal  
32 justice purposes under RCW 84.52.135; (i) the portions of levies by  
33 fire protection districts that are protected under RCW 84.52.125;  
34 ~~((and))~~ (j) levies by counties for transit-related purposes under RCW  
35 84.52.140; and (k) levies by or for apportionment districts  
36 established under chapter 39.88 RCW.

37 **Sec. 10.** RCW 84.52.050 and 1973 1st ex.s. c 194 s 1 are each  
38 amended to read as follows:

1       ~~(1) Except as ((hereinafter provided, the aggregate of all tax~~  
2 ~~levies upon real and personal property by the state and all taxing~~  
3 ~~districts, now existing or hereafter created, shall not in any year~~  
4 ~~exceed one percentum of the true and fair value of such property in~~  
5 ~~money: PROVIDED, HOWEVER, That nothing herein shall prevent levies at~~  
6 ~~the rates now provided by law by or for any port or public utility~~  
7 ~~district. The term "taxing district" for the purposes of this section~~  
8 ~~shall mean)) provided otherwise in this section, the aggregate of all~~  
9 ~~tax levies upon real and personal property by the state and all~~  
10 ~~taxing districts, now existing or hereafter created, may not in any~~  
11 ~~year exceed one percentum of the true and fair value of such property~~  
12 ~~in money. Nothing in this section prevents levies at the rates now~~  
13 ~~provided by law by or for any port or public utility district or any~~  
14 ~~apportionment district established under chapter 39.88 RCW. The term~~  
15 ~~"taxing district" for the purposes of this section means any~~  
16 ~~political subdivision, municipal corporation, district, or other~~  
17 ~~governmental agency authorized by law to levy, or have levied for it,~~  
18 ~~ad valorem taxes on property, other than a port or public utility~~  
19 ~~district or any apportionment district established under chapter~~  
20 ~~39.88 RCW. Such aggregate limitation or any specific limitation~~  
21 ~~imposed by law in conformity therewith may be exceeded only as~~  
22 ~~authorized by law and in conformity with the provisions of Article~~  
23 ~~VII, section 2(a), (b), or (c) of the Constitution of the state of~~  
24 ~~Washington, or in conformity with any other provision of Article VII~~  
25 ~~of the Constitution of the state of Washington.~~

26       (2) Nothing ((herein contained shall)) in this section prohibits  
27 ~~the legislature from allocating or reallocating the authority to levy~~  
28 ~~taxes between the taxing districts of the state and its political~~  
29 ~~subdivisions in a manner which complies with the aggregate tax~~  
30 ~~limitation set forth in this section.~~

31       NEW SECTION. Sec. 11. The following acts or parts of acts are  
32 each repealed:

33       (1) RCW 39.88.060 (Disagreements between taxing districts) and  
34 1989 c 378 s 1 & 1982 1st ex.s. c 42 s 7; and

35       (2) RCW 39.88.090 (General obligation bonds) and 1982 1st ex.s.  
36 c 42 s 10.

37       NEW SECTION. Sec. 12. Section 8 of this act expires January 1,  
38 2018.

1        NEW SECTION.    **Sec. 13.**    Section 9 of this act takes effect  
2    January 1, 2018.

--- END ---