
SUBSTITUTE HOUSE BILL 1183

State of Washington

65th Legislature

2017 Regular Session

By House Appropriations (originally sponsored by Representatives McBride, Chapman, Haler, Ryu, Robinson, McDonald, Stambaugh, Frame, Senn, Riccelli, Dolan, and Hudgins)

READ FIRST TIME 02/24/17.

1 AN ACT Relating to authorizing specified local governments,
2 including federally recognized Indian tribes, to designate a portion
3 of their territory as a creative district subject to certification by
4 the Washington state arts commission; adding new sections to chapter
5 43.46 RCW; and creating new sections.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

8 (a) A creative district is a designated, geographical, mixed-use
9 area of a community in which a high concentration of cultural
10 facilities, creative businesses, or arts-related businesses serve as
11 a collective anchor of public attraction;

12 (b) In certain cases, multiple vacant properties in close
13 proximity may exist within a community that would be suitable for
14 redevelopment as a creative district;

15 (c) Creative districts are a highly adaptable economic
16 development tool that is able to take a community's unique
17 conditions, assets, needs, and opportunities into account and thereby
18 address the needs of large, small, rural, and urban areas;

19 (d) Creative districts may be home to both nonprofit and for-
20 profit creative industries and organizations;

1 (e) The arts and culture transcend boundaries of race, age,
2 gender, language, and social status; and

3 (f) Creative districts promote and improve communities in
4 particular and the state more generally in many ways. Specifically,
5 such districts:

6 (i) Attract artists and creative entrepreneurs to a community and
7 thereby infuse the community with energy and innovation and enhance
8 the economic and civic capital of the community;

9 (ii) Create a hub of economic activity that helps an area become
10 an appealing place to live, visit, and conduct business, complements
11 adjacent businesses, creates new economic opportunities and jobs in
12 both the cultural sector and other local industries, and attracts new
13 businesses and assists in the recruitment of employees;

14 (iii) Establish marketable tourism assets that highlight the
15 distinct identity of communities, attract in-state, out-of-state, and
16 international visitors, and become especially attractive destinations
17 for cultural, recreational, and business travelers;

18 (iv) Revitalize and beautify neighborhoods, cities, and larger
19 regions, reverse urban decay, promote the preservation of historic
20 buildings, and facilitate a healthy mixture of business and
21 residential activity that contributes to reduced vacancy rates and
22 enhanced property values;

23 (v) Provide a focal point for celebrating and strengthening a
24 community's unique cultural identity, providing communities with
25 opportunities to highlight existing cultural amenities as well as
26 mechanisms to recruit and establish new artists, creative industries,
27 and organizations;

28 (vi) Provide artists with a creative area in which they can live
29 and work, with living spaces that enable them to work in artistic
30 fields and find affordable housing close to their place of
31 employment; and

32 (vii) Enhance property values. Successful creative districts
33 combine improvements to public spaces such as parks, waterfronts, and
34 pedestrian corridors, alongside property development. The
35 redevelopment of abandoned properties and historic sites and
36 recruiting businesses to occupy vacant spaces can also contribute to
37 reduced vacancy rates and enhanced property values.

38 (2) It is the intent of the legislature that the state provide
39 leadership, technical support, and the infrastructure to local
40 communities desirous of creating their own creative districts by,

1 among other things, certifying districts, offering available
2 incentives to encourage business development, exploring new
3 incentives that are directly related to creative enterprises,
4 facilitating local access to state assistance, enhancing the
5 visibility of creative districts, providing technical assistance and
6 planning help, ensuring broad and equitable program benefits, and
7 fostering a supportive climate for the arts and culture, thereby
8 contributing to the development of healthy communities across the
9 state and improving the quality of life of the state's residents.

10 NEW SECTION. **Sec. 2.** The definitions in this section apply
11 throughout this chapter unless the context clearly requires
12 otherwise.

13 (1) "Commission" means the Washington state arts commission.

14 (2) "Coordinator" means the employee of the Washington state arts
15 commission who is responsible for performing the specific tasks under
16 section 5 of this act.

17 (3) "Creative district" means a land area designated by a local
18 government in accordance with section 3 of this act that contains
19 either a hub of cultural facilities, creative industries, or arts-
20 related businesses, or multiple vacant properties in close proximity
21 that would be suitable for redevelopment as a creative district.

22 (4) "Local government" means a city, county, or town.

23 (5) "State-certified creative district" means a creative district
24 whose application for certification has been approved by the
25 commission.

26 NEW SECTION. **Sec. 3.** (1) A local government may designate a
27 creative district within its territorial boundaries subject to
28 certification as a state-certified creative district by the
29 commission. Two or more local governments may jointly apply for
30 certification of a creative district that extends across a common
31 boundary.

32 (2) In order to receive certification as a state-certified
33 creative district, a creative district must:

34 (a) Be a geographically contiguous area;

35 (b) Be distinguished by physical, artistic, or cultural resources
36 that play a vital role in the quality and life of a community,
37 including its economic and cultural development;

1 (c) Be the site of a concentration of artistic or cultural
2 activity, a major arts or cultural institution or facility, arts and
3 entertainment businesses, an area with arts and cultural activities,
4 or artistic or cultural production;

5 (d) Be engaged in the promotional, preservation, and educational
6 aspects of the arts and culture of the community and contribute to
7 the public through interpretive, educational, or recreational uses;
8 and

9 (e) Satisfy any additional criteria required by the commission
10 that in its discretion will further the purposes of sections 2
11 through 5 of this act. Any additional eligibility criteria must be
12 posted by the commission on its public web site.

13 (3) The commission may grant certification to a creative district
14 that does not qualify for certification under subsection (2) of this
15 section if the land area proposed for certification contains multiple
16 vacant properties in close proximity that would be suitable, as
17 determined by the commission, for redevelopment as a creative
18 district.

19 NEW SECTION. **Sec. 4.** (1) The commission may create a process
20 for review of applications submitted by local governments or
21 federally recognized Indian tribes for certification of state-
22 certified creative districts. The application must be submitted on a
23 standard form developed and approved by the commission.

24 (2) After reviewing an application for certification, the
25 commission must approve or reject the application or return it to the
26 applicant with a request for changes or additional information. The
27 commission may request that an applicant provide relevant information
28 supporting an application. Rejected applicants may reapply at any
29 time in coordination with program guidelines.

30 (3) Certification must be based upon the criteria specified in
31 section 3 of this act.

32 (4) If the commission approves an application for certification,
33 it must notify the applicant in writing and must specify the terms
34 and conditions of the commission's approval, including the terms and
35 conditions set forth in the application and as modified by written
36 agreement between the applicant and the commission.

37 (5) Upon approval by the commission of an application for
38 certification, a creative district becomes a state-certified creative

1 district with all of the attendant benefits under sections 2 through
2 5 of this act.

3 (6) The commission may revoke a certification previously granted
4 for failure by a local government to comply with the requirements of
5 this section or an agreement executed pursuant to this section.

6 (7) In addition to any powers explicitly granted to the
7 commission under sections 2 through 5 of this act, the commission is
8 granted such additional powers as are necessary to carry out the
9 purposes of sections 2 through 5 of this act. Where authorized by
10 law, such powers may include offering incentives to state-certified
11 creative districts to encourage business development, exploring new
12 incentives that are directly related to creative enterprises,
13 facilitating local access to state economic development assistance,
14 enhancing the visibility of state-certified creative districts,
15 providing state-certified creative districts with technical
16 assistance and planning aid, ensuring broad and equitable program
17 benefits, and fostering a supportive climate for the arts and culture
18 within the state.

19 (8) The creation of a district under this section may not be used
20 to prohibit any particular business or the development of residential
21 real property within the boundaries of the district or to impose a
22 burden on the operation or use of any particular business or parcel
23 of residential real property located within the boundaries of the
24 district.

25 (9) Total appropriations for this program, including grants and
26 overhead costs, may not exceed one hundred fifty-six thousand dollars
27 in the 2017-2019 biennium and two hundred thirty-five thousand
28 dollars in the 2019-2021 biennium. From within these amounts, the
29 commission must issue grants totaling at least forty thousand dollars
30 to state-certified creative districts per fiscal year.

31 NEW SECTION. **Sec. 5.** The commission may not dedicate additional
32 staff to the administration of the program beyond the coordinator.
33 The coordinator must:

34 (1) Review applications for certification and make a
35 recommendation to the commission for action;

36 (2) Administer and promote the application process for the
37 certification of creative districts;

38 (3) With the approval of the commission, develop standards and
39 policies for the certification of state-certified creative districts.

1 Any approved standards and policies must be posted on the
2 commission's public web site;

3 (4) Require periodic written reports from any state-certified
4 creative district for the purpose of reviewing the activities of the
5 district, including the compliance of the district with the policies
6 and standards developed under this section and with the conditions of
7 an approved application for certification;

8 (5) Identify available public and private resources, including
9 any applicable economic development incentives and other tools, that
10 support and enhance the development and maintenance of creative
11 districts and, with the assistance of the commission, ensure that
12 such programs and services are accessible to creative districts; and

13 (6) With the approval of the commission, develop such additional
14 procedures as may be necessary to administer this section. Any
15 approved procedures must be posted on the commission's public web
16 site.

17 NEW SECTION. **Sec. 6.** Sections 2 through 5 of this act are each
18 added to chapter 43.46 RCW.

19 NEW SECTION. **Sec. 7.** If specific funding for the purposes of
20 this act, referencing this act by bill or chapter number, is not
21 provided by June 30, 2017, in the omnibus appropriations act, this
22 act is null and void.

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