

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1183

Chapter 240, Laws of 2017

65th Legislature
2017 Regular Session

CREATIVE DISTRICTS

EFFECTIVE DATE: 7/23/2017

Passed by the House April 17, 2017
Yeas 82 Nays 13

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 11, 2017
Yeas 43 Nays 6

CYRUS HABIB

President of the Senate

Approved May 8, 2017 11:06 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1183** as passed by House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 8, 2017

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1183

AS AMENDED BY THE SENATE

Passed Legislature - 2017 Regular Session

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 to
2 designate a portion of their territory as a creative district subject
3 to certification by the Washington state arts commission; adding new
4 sections to chapter 43.46 RCW; and creating a new section.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36 (2) It is the intent of the legislature that the state provide
37 leadership, technical support, and the infrastructure to local
38 communities desirous of creating their own creative districts by,
39 among other things, certifying districts, offering available
40 incentives to encourage business development, exploring new

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

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

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

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

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

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

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

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

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

32 (a) Be a geographically contiguous area;

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

36 (c) Be the site of a concentration of artistic or cultural
37 activity, a major arts or cultural institution or facility, arts and

1 entertainment businesses, an area with arts and cultural activities,
2 or artistic or cultural production;

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

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

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

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

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

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

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

36 (5) Upon approval by the commission of an application for
37 certification, a creative district becomes a state-certified creative
38 district with all of the attendant benefits under sections 2 through
39 5 of this act.

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

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

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

23 NEW SECTION. **Sec. 5.** Subject to the availability of amounts
24 appropriated for this specific purpose, the commission may appoint a
25 coordinator. The coordinator must:

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

28 (2) Administer and promote the application process for the
29 certification of creative districts;

30 (3) With the approval of the commission, develop standards and
31 policies for the certification of state-certified creative districts.
32 Any approved standards and policies must be posted on the
33 commission's public web site;

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

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

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

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

Passed by the House April 17, 2017.
Passed by the Senate April 11, 2017.
Approved by the Governor May 8, 2017.
Filed in Office of Secretary of State May 8, 2017.

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