
HOUSE BILL 1952

State of Washington

66th Legislature

2019 Regular Session

By Representatives Ortiz-Self, Kilduff, Lovick, Thai, and Fey

Read first time 02/07/19. Referred to Committee on Capital Budget.

1 AN ACT Relating to the building communities fund program; and
2 amending RCW 43.63A.125.

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

4 **Sec. 1.** RCW 43.63A.125 and 2011 1st sp.s. c 48 s 7027 are each
5 amended to read as follows:

6 (1) The department shall establish the building communities fund
7 program. Under the program, capital and technical assistance grants
8 may be made to nonprofit organizations for acquiring, constructing,
9 or rehabilitating facilities used for the delivery of nonresidential
10 community services, including social service centers and multipurpose
11 community centers, including those serving a distinct or ethnic
12 population. Such facilities must be located in a distressed community
13 or serve a substantial number of low-income or disadvantaged persons.

14 (2) The department shall establish a competitive process to
15 solicit, evaluate, and rank applications for the building communities
16 fund program as follows:

17 (a) The department shall conduct a statewide solicitation of
18 project applications from nonprofit organizations.

19 (b) The department shall evaluate and rank applications in
20 consultation with a citizen advisory committee using objective

1 criteria. To be considered qualified, applicants must demonstrate
2 that the proposed project:

3 (i) Will increase the range, efficiency, or quality of the
4 services provided to citizens;

5 (ii) Will be located in a distressed community or will serve a
6 substantial number of low-income or disadvantaged persons;

7 (iii) Will offer three or more distinct activities that meet a
8 single community service objective or offer a diverse set of
9 activities that meet multiple community service objectives, including
10 but not limited to: Providing social services; expanding employment
11 opportunities for or increasing the employability of community
12 residents; or offering educational or recreational opportunities
13 separate from the public school system or private schools, as long as
14 recreation is not the sole purpose of the facility;

15 (iv) Reflects a long-term vision for the development of the
16 community, shared by residents, businesses, leaders, and partners;

17 (v) Requires state funding to accomplish a discrete, usable phase
18 of the project;

19 (vi) Is ready to proceed and will make timely use of the funds;

20 (vii) Is sponsored by one or more entities that have the
21 organizational and financial capacity to fulfill the terms of the
22 grant agreement and to maintain the project into the future;

23 (viii) Fills an unmet need for community services;

24 (ix) Will achieve its stated objectives; and

25 (x) Is a community priority as shown through tangible commitments
26 of existing or future assets made to the project by community
27 residents, leaders, businesses, and government partners.

28 (c) The evaluation and ranking process shall also include an
29 examination of existing assets that applicants may apply to projects.

30 (d) (i) Except as provided in (d) (ii) of this subsection, grant
31 assistance under this section shall not exceed:

32 (A) One hundred percent of the total cost for projects up to one
33 hundred thousand dollars;

34 (B) Seventy-five percent of the total cost for projects that
35 exceed one hundred thousand dollars, up to two hundred fifty thousand
36 dollars;

37 (C) Fifty percent of the total cost for projects that exceed two
38 hundred fifty thousand dollars, up to five hundred thousand dollars;

39 (D) Twenty-five percent of the total cost ((of—the)) for
40 projects((,—except,)) that exceed five hundred thousand dollars;

1 (ii) Under exceptional circumstances, the department may reduce
2 the amount of nonstate match required. (~~No more than ten percent of~~
3 ~~the total granted amount may be awarded to qualified eligible~~
4 ~~projects that meet the definition of exceptional circumstances~~
5 ~~defined in this subsection.)) For purposes of this subsection,
6 exceptional circumstances include but are not limited to: Natural
7 disasters affecting projects; emergencies beyond an applicant's
8 control, such as a fire or an unanticipated loss of a lease where
9 services are currently provided; or a delay that could result in a
10 threat to public health or safety.~~

11 (e) The nonstate portion of the total project cost may include
12 cash, the value of real property when acquired solely for the purpose
13 of the project, and in-kind contributions.

14 (~~(d)~~) (f) The department may not set a monetary limit to
15 funding requests.

16 (3) The department shall submit biennially to the governor and
17 the legislature in the department's capital budget request a ranked
18 list of the qualified eligible projects for which applications were
19 received. The list must include a description of each project, its
20 total cost, and the amount of state funding requested. The
21 appropriate fiscal committees of the legislature shall use this list
22 to determine building communities fund projects that may receive
23 funding in the capital budget. The total amount of state capital
24 funding available for all projects on the biennial list shall be
25 determined by the capital budget beginning with the 2009-2011
26 biennium and thereafter. In addition, (~~if cash funds have been~~
27 ~~appropriated,~~) up to three million dollars may be used for technical
28 assistance grants. The department shall not sign contracts or
29 otherwise financially obligate funds under this section until the
30 legislature has approved a specific list of projects.

31 (4) In addition to the list of ranked qualified eligible
32 projects, the department shall submit to the appropriate fiscal
33 committees of the legislature a summary report that describes the
34 solicitation and evaluation processes, including but not limited to
35 the number of applications received, the total amount of funding
36 requested, issues encountered, if any, and any recommendations for
37 process improvements.

38 (5) After the legislature has approved a specific list of
39 projects in law, the department shall develop and manage appropriate
40 contracts with the selected applicants; monitor project expenditures

1 and grantee performance; report project and contract information; and
2 exercise due diligence and other contract management responsibilities
3 as required.

4 (6) In contracts for grants authorized under this section the
5 department shall include provisions which require that capital
6 improvements shall be held by the grantee for a specified period of
7 time appropriate to the amount of the grant and that facilities shall
8 be used for the express purpose of the grant. If the grantee is found
9 to be out of compliance with provisions of the contract, the grantee
10 shall repay to the state general fund the principal amount of the
11 grant plus interest calculated at the rate of interest on state of
12 Washington general obligation bonds issued most closely to the date
13 of authorization of the grant.

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