

HOUSE BILL REPORT

2SSB 5300

As Reported by House Committee On:
Community Development, Housing & Tribal Affairs

Title: An act relating to authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington state arts commission.

Brief Description: Authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington state arts commission.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Zeiger, Wellman, Fain, Billig, Walsh, Nelson and Hasegawa).

Brief History:

Committee Activity:

Community Development, Housing & Tribal Affairs: 3/15/17, 3/23/17 [DPA].

**Brief Summary of Second Substitute Bill
(As Amended by Committee)**

- Authorizes the Washington Arts Commission to certify creative districts designated by local governments or federally recognized tribes as areas that promote cultural facilities, creative industries, or arts-related businesses.

HOUSE COMMITTEE ON COMMUNITY DEVELOPMENT, HOUSING & TRIBAL AFFAIRS

Majority Report: Do pass as amended. Signed by 7 members: Representatives Ryu, Chair; Macri, Vice Chair; McCabe, Ranking Minority Member; Barkis, Assistant Ranking Minority Member; Jenkin, Reeves and Sawyer.

Staff: Sean Flynn (786-7124).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Washington Arts Commission (Commission) was established to promote the conservation and development of the state's artistic resources that contribute to the quality of life and general welfare of the state's citizens. The Commission is composed of 19 members appointed by the Governor and four members of the Legislature.

The Commission has broad authority to sponsor and administer activities or programs related to the growth and development of the arts and humanities, and assist any private or public agency, or person in such pursuits. The Commission administers the state's public arts collection and the Washington State Poet Laureate program.

Summary of Amended Bill:

The Commission may certify a creative district that includes an area designated by a city, county, or a federally recognized tribe containing a hub of cultural facilities, creative industries, or arts-related businesses.

The creative district must be:

- contiguous;
- distinguished by artistic and cultural resources involving economic and cultural development; and
- engaged with, and contributing to, the community arts and culture.

The Commission may require additional eligibility criteria at its discretion. A creative district also may include vacant property in proximity to the artistic activities that is suitable for similar development.

The city, county, or tribe seeking certification of a creative district must submit an application for review by the Commission. The Commission may approve or reject the application, and include terms and conditions upon approval. The Commission may revoke certification for a city, county, or tribe's failure to comply with the conditions of approval.

The Commission may designate an employee to administer and coordinate the creative district certification program, including reviewing applications, developing policies and standards, and overseeing compliance. The coordinator also identifies public and private resources and incentives to support and enhance development within the districts. The Commission may offer incentives to a certified creative district to encourage business, facilitate connections to state economic development assistance, and provide technical assistance, among other resources.

There are some fiscal restrictions imposed on the creative district certification program. The total appropriations for the creative districts certification program may not exceed \$156,000 in the 2017-19 biennium and may not exceed \$235,000 in the 2019-2021 biennium. The Commission may not dedicate additional staff beyond the designated coordinator to administer the creative districts program. The act is null and void if funding for the bill is not provided in the 2017-19 Operating Budget.

Amended Bill Compared to Second Substitute Bill:

The fiscal restrictions are added, including the appropriations limits, the staffing limit of one coordinator position, and the null and void clause. The provisions making the program subject to specific appropriation is removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless specific funding is provided in the 2017-19 budget.

Staff Summary of Public Testimony:

(In support) The creative districts program has the ability to add more jobs and attract more revenue and resources to a community. Creative districts can help to rehabilitate and beautify downtown core areas that will encourage economic development and attract tourism. Designating a creative district will help to leverage new private funding, though it does not authorize any new local taxing authority. The arts industry is an important economic sector that stimulates job growth and is resilient to recession.

(Opposed) None.

Persons Testifying: Senator Zeiger, prime sponsor; Doug Levy, Western States Arts Federation and Humanities of Washington; Magna Cockerline, Valley Arts United; and Michael Cade, Thurston Economic Council.

Persons Signed In To Testify But Not Testifying: None.