

# HOUSE BILL REPORT

## HB 1456

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**As Reported by House Committee On:**  
Community & Economic Development

**Title:** An act relating to minimum staffing levels for Washington main street programs.

**Brief Description:** Concerning minimum staffing levels for Washington main street programs.

**Sponsors:** Representatives Rule, Ramel, Robertson, Lekanoff, Shewmake and Harris-Talley.

**Brief History:**

**Committee Activity:**

Community & Economic Development: 2/9/21, 2/12/21 [DPS].

**Brief Summary of Substitute Bill**

- Creates a pilot grant program to assist with costs related to establishing the required minimum levels of staffing for local Main Street Programs.

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### HOUSE COMMITTEE ON COMMUNITY & ECONOMIC DEVELOPMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Ryu, Chair; Paul, Vice Chair; Boehnke, Ranking Minority Member; Chase, Assistant Ranking Minority Member; Corry, Frame, Jacobsen, Johnson, J., Kraft, Lovick, Rule, Sutherland and Taylor.

**Staff:** Cassie Jones (786-7303).

**Background:**

The state Main Street Program provides technical assistance for local comprehensive downtown or neighborhood commercial district revitalization initiatives. The Department of Archeology and Historic Preservation (DAHP) operates the Main Street Program through a contract with the Washington Trust for Historic Preservation. The DAHP provides initial

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site evaluations by technical specialists, training for local programs and staff, and design and implementation assistance to local governments, businesses, organizations, and property owners undertaking revitalization initiatives. The DAHP also may provide financial assistance for initial start-up costs for a local program.

The DAHP may designate local downtown or neighborhood commercial district revitalization programs and official local Main Street Programs for such assistance based on certain criteria including:

- the degree of interest and commitment to comprehensive downtown or neighborhood commercial district revitalization and historic preservation by both the public and private sectors;
- the evidence of potential private sector investment in the downtown or neighborhood commercial district;
- a downtown or neighborhood commercial district with sufficient historic fabric to become a foundation for an enhanced community image;
- the capacity of the organization to undertake a comprehensive program and the financial commitment to implement a long-term downtown or neighborhood commercial district revitalization program that includes a commitment to employ a professional program manager and maintain a sufficient operating budget;
- the DAHP's existing downtown revitalization program's tier system; and
- the National Main Street Center's criteria for designating official Main Street cities.

The DAHP's rules relating to eligibility criteria include a requirement that an application for designation as a Washington Main Street community include information demonstrating that the applicant can maintain a minimum level of staffing to achieve its mission, goals, and annual work plan. According to the rule, a jurisdiction's population determines the required level of minimum staffing as follows:

- A jurisdiction with a population of 2,500 or less must maintain a part-time volunteer executive director.
- A jurisdiction with a population of 2,501 to 5,000 must maintain a half-time, paid executive director.
- A jurisdiction with a population of 5,001 or greater must maintain a full-time, paid executive director.

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### **Summary of Substitute Bill:**

The DAHP must establish a pilot project grant program to award grants to programs applying for designation as an official local main street program. The purpose of the grant program is to assist with costs related to establishing a minimum level of staffing as required by the DAHP. The DAHP must establish criteria for awarding grants. At a minimum, the DAHP must require that grant applicant programs:

- be located within a city with a population of fewer than 20,000;
- be an established 501(c)(3) or 501(c)(6) non-profit organization with the sole mission

- of revitalizing a historic downtown commercial district;
- report to the DAHP on the diversity of the program's overseeing board;
- have no paid staff at the time of application; and
- pay their program's executive director a competitive salary that is equal to or more than the industry standard for similar jobs in the same geographic area.

Subject to the availability of amounts appropriated for this specific purpose, the DAHP must provide for ongoing additional staff as needed to administer the grant program. The grant program expires June 30, 2025.

### **Substitute Bill Compared to Original Bill:**

The substitute bill makes the following changes to the original bill:

- eliminates provisions modifying minimum staffing levels for local Main Street Programs, but maintains provisions establishing a pilot grant program;
- adds language requiring the DAHP to establish criteria for awarding grants that at a minimum require that grant applicant programs:
  - be located within a city with a population of fewer than 20,000;
  - be an established 501(c)(3) or 501(c)(6) nonprofit organization with the sole mission of revitalizing a historic downtown commercial district;
  - report to the DAHP on the diversity of the program's overseeing board;
  - have no paid staff at the time of application; and
  - pay their program's executive director a competitive salary that is equal to or more than the industry standard for similar jobs in the same geographic area;
- removes the grant program requirement that the program establish, to the satisfaction of the DAHP, that financial inability to meet minimum staffing level requirements is a significant factor that is preventing the program from qualifying for designation as an official local Main Street Program.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) Experience shows what sufficient economic development resources can mean for a small rural town. With enough person-power, small cities can revitalize, create living wage jobs, and take great pride in their communities. This bill prioritizes Main Street Program staff by creating a grant program. There are a number of ways to build up Main Street Programs, and this bill complements other work being done. Staffing in small rural

towns is a best practice recommended by the national Main Street Program. The pandemic has hit small towns hard. Recovery will take localized job creating programs with sufficient resources; this bill will help these programs.

This bill will remove stumbling blocks for small communities trying to establish a Main Street Program. Adjusting the population thresholds downward will help programs more successfully transition from a volunteer to professionally managed programs. It will empower downtown associations in small communities in strengthening the business environment and revitalizing their downtowns. Additional funding for an executive director dedicated to the program would assist small communities.

(Opposed) None.

(Other) There are some questions regarding the population thresholds in the bill. There are currently agency rules establishing thresholds. They were set with an understanding that organizations eligible for tax donations must have adequate staff in place for accountability. Having the thresholds in agency rules allows the DAHP to be more responsive to current conditions. A grant program to assist with staffing costs is a great idea that could help small communities. The DAHP will need additional staff to support affiliates and local Main Street Programs.

**Persons Testifying:** (In support) Representative Rule, prime sponsor; and Michael Jones and Richard May, City of Blaine.

(Other) Chris Moore, Washington Trust for Historic Preservation.

**Persons Signed In To Testify But Not Testifying:** None.