

SENATE BILL REPORT

2SHB 1992

As of April 10, 2007

Title: An act relating to community preservation and development authorities.

Brief Description: Creating community preservation and development authorities.

Sponsors: House Committee on Finance (originally sponsored by Representatives Santos, Kenney and Hasegawa).

Brief History: Passed House: 3/09/07, 67-30.

Committee Activity: Government Operations & Elections: 3/22/07.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Sharon Swanson (786-7447)

Background: Every year, federal, state, and local governments undertake significant public facilities and infrastructure projects in communities around the state. While some of these projects only temporarily affect the surrounding community, others have a more lasting impact.

Summary of Second Substitute Bill: Community preservation and development authorities are created to restore or enhance the health, safety, and well-being of communities adversely impacted by construction and operation of multiple major public facilities, public works, and capital projects with significant public funding. Their purposes include:

- to revitalize, enhance, and preserve the unique character of impacted communities;
- to mitigate the adverse effects of multiple public projects;
- to restore the sense of community, reduce displacement of residents and businesses, stimulate economic vitality, enhance public service provisions, and improve residents' standard of living;
- to preserve historic buildings by returning them to economically productive uses; and
- to raise the visibility of the consequences of public policy decisions and actions.

A community preservation and development authority's (Authority) formation requires the following sequential steps:

- The constituency of an impacted community proposes formation of an Authority to its state legislative delegation;
- A community proposing formation after January 1, 2008, must identify in its proposal at least one stable revenue source that can be used to support projects contained in the Authority's strategic plan and that has a nexus with the multiple publicly funded facilities that have adversely impacted the community;

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- The Legislature must find that the area within the proposed Authority's geographic boundaries meets the act's definitions of "community" and "impacted community" and, after January 1, 2008, that the community had identified at least one stable revenue source; and
- The Legislature may then authorize the Authority's establishment.

The bill directs that an Authority will be managed by a board of directors and provides board membership criteria, terms, and election processes. An Authority has the power to:

- accept public or private gifts, grants, or loans;
- contract and enter into partnerships with certain parties;
- buy, own, lease, and sell real and personal property;
- hold in trust, improve, and develop land;
- incur debt in furtherance of its mission; and
- lend its funds, property, credit, or services.

However, an Authority has no power of eminent domain, nor power to levy taxes or special assessments.

An Authority has the duty to:

- establish its specific geographic boundaries within its bylaws (and report any changes to the Legislature);
- solicit community input and develop a strategic preservation and development plan;
- identify a prioritized list of projects in the plan, including capital and operating components that address one or more of the purposes of this act;
- establish funding mechanisms to implement the plan;
- use gifts, grants, and loans to contract and enter into partnerships to carry out the projects in the strategic plan, including those that enhance public safety, reduce blight, and mitigate adverse effects; and
- demonstrate accountability by reporting as directed in the act to the Legislature and to its constituency at an annual town hall meeting.

The Legislature finds that the Pioneer Square-International District of Seattle meets the definitions of "community" and "impacted community" and that its constituency has proposed formation of an Authority. The Legislature authorizes establishment of this specific Authority.

The Community Preservation and Development Account is created in the State Treasury, and includes a sub-account for operating purposes and a sub-account for capital project purposes.

State and local government agencies must consult fully with an Authority and impacted community before making siting, design, and construction decisions for future major public capital projects and must make every effort to minimize negative, cumulative effects of multiple projects.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Two of the oldest neighborhoods in Seattle, Pioneer Square and the International District, are in jeopardy today from adverse impacts of multiple capital projects built in the area, including two stadiums that bring in crowds of 90,000 people per year to participate in over 90 sporting events. Adverse impacts of these crowds include an overflow of garbage and litter, and lack of parking close to retailers and restaurants. There are over 30 art galleries in Pioneer Square, but stadium clientele are more interested in the entertainment/bar scene. When parking blocks the streets and unruly crowds wander the area, business suffers. This bill is intended to enable these communities to be in charge of their destinies and revitalize their economies.

Persons Testifying: PRO: Representative Santos, prime sponsor.