
Community & Economic Development & Trade Committee

HB 1952

Brief Description: Regarding the building communities fund program competitive process.

Sponsors: Representatives Kenney, Ormsby, Blake, Flannigan, Maxwell, Pettigrew, Springer, Hudgins, Lias, Morrell, White, Conway, Hasegawa, Chase, Sullivan, Dickerson, Wood and Santos.

Brief Summary of Bill

- Allows an applicant to qualify for Building Communities Fund (BCF) consideration by demonstrating that a proposed project will offer three or more distinct activities that meet a single community service objective.
- Defines the "exceptional circumstances" through which the Department of Community, Trade, and Economic Development (DCTED) may reduce an applicant's required non-state match.

Hearing Date: 2/11/09

Staff: Meg Van Schoorl (786-7105)

Background:

The BCF Program was established in 2008 through passage of Second Substitute Senate Bill 6855 and a capital budget allocation of \$32 million. The BCF makes targeted investments in distressed rural and urban communities. Funds can be used to acquire, construct or rehabilitate facilities for delivery of nonresidential community services. Examples are social service centers or multipurpose community centers, including those that serve a distinct or ethnic population. These facilities must be located in a distressed community or serve a substantial number of low-income or disadvantaged persons.

Applicants must demonstrate that the proposed project will offer a diverse set of activities that

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.

meet multiple community service objectives, including but not limited to: providing social services; expanding employment opportunities for community residents or increasing the employability of community residents; or, offering educational and recreational opportunities separate from the public education system or private schools, as long as recreation is not the sole purpose of the facility. Grant assistance may not exceed 25 percent of total project cost, except under exceptional circumstances. Among other criteria, proposed projects must:

- Be a community priority and reflect a long-term shared vision for the community's development;
- Require state funding to accomplish a discrete project phase;
- Be ready to proceed and make timely use of funds; and,
- Be sponsored by entities with the organizational and financial capacity to fulfill the terms of the grant agreement and maintain the project in the future.

The DCTED administered a competitive application process in 2008, and evaluated 55 applications in consultation with a citizen advisory committee. The DCTED submitted an unranked list of 27 projects as "qualified eligible" and an unranked list of 28 projects as "not recommended for funding" to the Governor and the Legislature. The appropriate fiscal committees of the House and the Senate will use the list to determine local projects that may receive capital funding for 2009 - 11.

Summary of Bill:

The BCF Program is clarified in two ways.

- An applicant can qualify for funding consideration by demonstrating that a proposed project will offer three or more distinct activities that meet a single community service objective.
- "Exceptional circumstances", under which the DCTED may reduce the amount of non-state match required of an applicant, is defined as: natural disasters affecting projects; emergencies beyond an applicant's control; a delay that could result in a public health or safety threat; or, instances where a community can quantifiably demonstrate exhaustion of all fundraising efforts.

Appropriation: None.

Fiscal Note: Requested on February 6, 2009.

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