

HOUSE BILL REPORT

HB 2882

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

Title: An act relating to establishing the Interbay community preservation and development authority.

Brief Description: Establishing the Interbay community preservation and development authority.

Sponsors: Representatives Tarleton, Frame and Santos.

Brief History:

Committee Activity:

Housing, Community Development & Veterans: 2/5/20, 2/7/20 [DPS].

Brief Summary of Substitute Bill

- Authorizes establishment of the Interbay Community Preservation and Development Authority on July 1, 2022.

HOUSE COMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT & VETERANS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Ryu, Chair; Morgan, Vice Chair; Jenkin, Ranking Minority Member; Gildon, Assistant Ranking Minority Member; Barkis, Frame, Johnson, J., Leavitt and Ramel.

Staff: Cassie Jones (786-7303).

Background:

Community Preservation and Development Authorities.

Residents, property owners, employees, or business owners of an impacted community may propose the formation of a Community Preservation and Development Authority (CPDA). The proposal must be presented in writing to the appropriate committees of the Legislature and must contain proposed general geographic boundaries for the CPDA. Proposals submitted after January 1, 2020, must identify one or more stable revenue sources that:

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- have a nexus with the multiple publicly funded facilities that have adversely impacted the community; and
- can be used to support future operating or capital projects that will be identified in the strategic plan.

A CPDA must be authorized by statute. The Legislature must make the following findings before authorizing a CPDA in statute:

- the area within the proposal's geographic boundaries is an impacted community;
- the persons who brought forth the proposal are members of the community; and
- the community has identified one or more stable revenue sources.

The affairs of a CPDA are managed by a board of directors with members consisting of representatives from specified groups including business owners, community members, nonprofit and social services representatives, representatives involved in the arts and entertainment, and local government representatives.

Powers and Duties of a Community Preservation and Development Authority.

A CPDA has the power to:

- accept gifts, grants, loans, or other aid from public or private entities;
- employ and appoint such agents, attorneys, officers, and employees as may be necessary to implement the purposes and duties of an authority;
- contract and enter into partnerships with individuals, associations, corporations, and local, state, and federal governments;
- buy, own, lease, and sell real and personal property;
- hold in trust, improve, and develop land;
- invest, deposit, and reinvest its funds;
- incur debt in furtherance of its mission; and
- lend its funds, property, credit, or services for corporate purposes.

A CPDA has the duty to:

- establish specific geographic boundaries for the authority within its bylaws based on the general geographic boundaries established in the proposal approved by the Legislature;
- solicit input from members of its community and develop a strategic preservation and development plan to restore and promote the health, safety, and economic well-being of the impacted community, and to restore and preserve its cultural and historical identity;
- include within the strategic plan a prioritized list of projects identified and supported by the community, including capital or operating components;
- establish funding mechanisms to support projects and programs identified in the strategic plan including, but not limited to, grants and loans;
- use gifts, grants, loans, and other aid from public or private entities to carry out projects identified in the strategic plan; and
- demonstrate ongoing accountability for its actions by:
 - reporting to the appropriate committees of the Legislature, one year after formation and every biennium thereafter;
 - reporting any changes in the authority's geographic boundaries to the Legislature;

- convening a local town hall meeting with its constituency on an annual basis; and
 - maintaining books and records as appropriate for the conduct of its affairs.
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Summary of Substitute Bill:

The following legislative findings are made:

- The state owns a property of approximately 25 acres in size within Seattle's Ballard-Interbay Northend Manufacturing Industrial Center (BINMIC), known as the Interbay property. The National Guard currently uses the Interbay property for the Seattle Readiness Center, built in 1974.
- The National Guard has determined that it must relocate from the Interbay property to another site. Once the National Guard is relocated in a new, fully operational readiness center, the Interbay property will be available for redevelopment.
- The area within the Interbay neighborhood is an impacted community.
- The persons who brought forth the proposal for creation of the Interbay Community Preservation and Development Authority (ICPDA) are members of the community and are constituents of the ICPDA.

The ICPDA is authorized on July 1, 2022. Its boundaries are those contained in the Interbay neighborhood within the City of Seattle. The ICPDA may exercise its authority in furtherance of projects that are located only within the boundaries of the Interbay property.

The affairs of the ICPDA must be managed by a board of directors consisting of the following members:

- two members with experience developing workforce or affordable housing;
- two members with project financing options for public-private partnerships related to housing;
- two members with architectural design and development experience related to industrial and mixed-use zoning;
- one member representing the Port of Seattle;
- one member representing the National Guard;
- one member representing the King County Council;
- one member representing the City of Seattle mayor's office;
- one member representing the Seattle City Council; and
- two members of the thirty-sixth legislative district delegation.

"Interbay property" means a state-owned property located at 1601 West Armory Way, consisting of approximately 25 acres of land within the BINMIC.

Proposals for the creation of a CPDA presented after January 1, 2022, instead of January 1, 2020, are required to identify one or more stable revenue sources.

Substitute Bill Compared to Original Bill:

The authorization of the establishment of the ICPDA goes into effect on July 1, 2022, instead of 90 days after adjournment of the session in which the bill is passed. Proposals for the creation of a CPDA presented after January 1, 2022, instead of January 1, 2020, are required to identify one or more stable revenue sources.

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, except for section 1, relating to establishment of the ICPDA, which takes effect July 1, 2022.

Staff Summary of Public Testimony:

(In support) Interbay is a community that connects Salmon Bay and Elliott Bay and is also the home of the National Guard. The National Guard is located on 25 acres and has been looking to relocate to a more suitable property. Last year, property was purchased in North Bend for the National Guard. There will be a long process that may take 5 to 10 years for the planning, design, and construction of the National Guard's new facility. This legislation is designed to establish a public development authority in order to help the state, federal, and local governments, and private property owners plan the future and development of Interbay once the National Guard has relocated. The public development authority created in this bill will allow for a public process to plan development in this important area of our state's economy. The potential development of Interbay has sparked incredible conversations in the neighborhood. However, Interbay is home to many competing groups with different interests. The infrastructure is not pedestrian or transit-friendly and is vulnerable to earthquakes. The armory is at the center of these links. A public development authority is the ideal entity to manage the development process of Interbay. However, the CPDA statute is not flexible enough to create the public development authority that is needed.

(Opposed) None.

Persons Testifying: Representative Tarleton, prime sponsor; and Raymond Dubicki.

Persons Signed In To Testify But Not Testifying: None.