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**ENGROSSED HOUSE BILL 1471**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Representatives Santos, Harris-Talley, and Lekanoff

AN ACT Relating to community preservation and development authorities; and amending RCW 43.167.003 and 43.167.010.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 43.167.003 and 2019 c 447 s 3 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Community" means a group of people who reside or work in the geographic area established by the community preservation and development authority board or the proposal to create the authority and who currently or historically share a distinct cultural identity or local history.

(2) "Community preservation and development authority" or "authority" means ((~~an authority~~)) a public body corporate and politic and instrumentality of the state of Washington created by members of an impacted community.

(3) "Constituency" means the general membership of the community preservation and development authority, which membership must be open to all persons eighteen years of age and over who are residents, property owners, employees, or business persons within the geographic boundaries established by the authority or the proposal to create the authority.

(4) "Impacted community" means a community that has been adversely impacted by the construction of, or ongoing operation of, multiple major public facilities, public works, and capital projects with significant public funding or by other land use decisions.

(5) "Major public facilities project, public works project, or capital project with significant public funding" means any capital project whose total cost exceeds ten million dollars. On July 1, 2019, and on July 1st of each odd-numbered year thereafter, the capital project cost threshold must be adjusted by the capital project cost adjustment factor for inflation established by the office of financial management.

**Sec.**  RCW 43.167.010 and 2019 c 447 s 4 are each amended to read as follows:

(1) The residents, property owners, employees, or business owners of an impacted community may propose formation of a community preservation and development authority. The proposal to form a community preservation and development authority must be presented in writing to the appropriate legislative committee in both the house of representatives and the senate. The proposal must contain proposed general geographic boundaries that will be used to define the community for the purposes of the authority. Proposals presented after January 1, 2020, must identify in its proposal one or more stable revenue sources that (a) have a nexus with the multiple publicly funded facilities or other land use decisions that have adversely impacted the community, and (b) can be used to support future operating or capital projects that will be identified in the strategic plan required under RCW 43.167.030.

(2) Formation of the community preservation and development authority is subject to legislative authorization by statute. The legislature must find that (a) the area within the proposal's geographic boundaries meets the definition of "impacted community" contained in RCW 43.167.003(4) and (b) those persons that have brought forth the proposal are members of the community as defined in RCW 43.167.003(1) and, if the authority were approved, would meet the definition of constituency contained in RCW 43.167.003(3). For proposals brought after January 1, 2020, the legislature must also find that the community has identified one or more stable revenue sources as required in subsection (1) of this section. The legislature may then act to authorize the establishment of the community preservation and development authority in law.

(3) The affairs of a community preservation and development authority shall be managed by a board of directors, consisting of the following members:

(a) Two members who own, operate, or represent businesses within the community;

(b) Two members who reside in the community;

(c) Two members who are involved in providing nonprofit community or social services within the community;

(d) Two members who are involved in the arts and entertainment within the community;

(e) Two members with knowledge of the community's culture and history;

(f) One member who is involved in a nonprofit or public planning organization that directly serves the impacted community; and

(g) Two representatives of the local legislative authority or authorities, as ex officio members.

(4) No member of the board shall hold office for more than ((~~four~~)) six years. Board positions shall be numbered one through nine, and the terms staggered as follows:

(a) Board members elected to positions one through five shall serve ((~~two-year~~)) three-year terms, and if reelected, may serve no more than one additional ((~~two-year~~)) three-year term.

(b) Board members initially elected to positions six through thirteen shall serve a ((~~three-year~~)) two-year term ((~~only~~)), and if reelected, may serve no more than one additional three-year term.

(c) Board members elected to positions six through thirteen after the ((~~initial three-year term~~)) initially elected members shall serve ((~~two-year~~)) three-year terms, and if reelected, may serve no more than one additional ((~~two-year~~)) three-year term.

(5) With respect to an authority's initial board of directors: The state legislative delegation and those proposing formation of the authority shall jointly establish a committee to select the members of the initial board of directors once the authority has received legislative approval as established in subsection (2) of this section. For the purpose of identifying those persons who meet the criteria in subsection (3)(a) through (e) of this section, community shall mean the proposed geographic boundaries as set out in the proposal.

(6) With respect to subsequent elections of an authority's board of directors: A list of candidates shall be developed by the authority's existing board of directors and the election shall be held during the annual local town hall meeting as required in RCW 43.167.030.

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