

RCW 39.110.020 Economic development finance authority—Creation—Dissolution—Requirements—Penalty. (1) A municipality that formed a public corporation under chapter 39.84 RCW prior to January 1, 2012, may, if that public corporation is still in existence, enact an ordinance creating an economic development finance authority for the purposes authorized in this chapter. The ordinance creating the authority must approve a charter for the authority containing such provisions as are authorized by and not in conflict with this chapter. Any charter issued under this chapter must contain in substance the limitations set forth in RCW 39.110.030. In any suit, action, or proceeding involving the validity or enforcement of or relating to any contract of the authority, the authority is conclusively presumed to be established and authorized to transact business and exercise its powers under this chapter upon proof of the adoption of the ordinance creating the authority by the governing body. A copy of the ordinance duly certified by the clerk of the governing body of the municipality is admissible in evidence in any suit, action, or proceeding.

(2) An authority created by a municipality pursuant to this chapter may be dissolved by the municipality if: (a) The authority has no property to administer, other than funds or property, if any, to be paid or transferred to the municipality by which it was established; and (b) all the authority's outstanding obligations have been satisfied. Such a dissolution must be accomplished by the governing body of the municipality adopting an ordinance providing for the dissolution.

(3) The creating municipality may, at its discretion and at any time, alter or change the structure, organizational programs, or activities of an authority, including termination of the authority if contracts entered into by the authority are not impaired. Any net earnings of an authority, beyond those necessary for retirement of indebtedness incurred by it, do not inure to the benefit of any person other than the creating municipality. Upon dissolution of an authority, title to all property owned by the authority vests in the municipality.

(4) The ordinance creating an authority must include provisions establishing a board of directors to govern the affairs of the authority, what constitutes a quorum of the board of directors, and how the authority must conduct its affairs.

(5) For a period of ten years after any financing through an authority, it is illegal for a director, officer, agent, or employee of an authority to have, directly or indirectly, any financial interest in any property to be included in or any contract for property, services, or materials to be furnished or used in connection with any economic development activity financed through the authority. Violation of any provision of this section is a gross misdemeanor.

(6) The finances of any authority are subject to examination by the state auditor's office pursuant to RCW 43.09.260. [2012 c 193 § 3.]