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HOUSE BILL 1618

State of Washington 61st Legislature 2009 Regular Session

By Representatives White, Nelson, Hudgins, Kenney, Sullivan, Carlyle, Hasegawa, Santos, Green, Miloscia, Orwall, Pedersen, Cody, Dickerson, Liias, Kelley, Pettigrew, Goodman, Simpson, Morrell, and Ormsby

Read first time 01/26/09. Referred to Committee on Capital Budget.

- 1 AN ACT Relating to community and surplus schools; amending RCW
- 2 43.63A.135, 28A.525.050, 28A.335.120, and 28A.335.130; adding new
- 3 sections to chapter 43.63A RCW; adding a new section to chapter 28A.525
- 4 RCW; and creating new sections.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** This act shall be known as the community 7 schools act of 2009.
- 8 <u>NEW SECTION.</u> **Sec. 2.** The legislature finds that young people need
- 9 a wide range of opportunities and a strong support system to succeed.
- 10 A quality academic program is necessary but is not sufficient, given
- 11 societal factors, family circumstances, poverty, and health problems.
- 12 All children, regardless of their economic, racial, or family
- 13 circumstances, deserve access to a full array of opportunities. The
- 14 legislature also finds that cooperative partnerships and joint use of
- 15 facilities between public schools, local governments, early learning
- 16 providers, health and social service providers, and postsecondary
- 17 institutions can result in the effective use of federal, state, local,
- 18 and community resources. Such partnerships build on community

p. 1 HB 1618

- 1 strengths, foster family and community engagement, share accountability
- 2 for results, and set high expectations for all. The legislature
- 3 further finds that surplus schools are community assets that should be
- 4 reused for maximum public good to benefit communities.

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- 5 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.63A RCW 6 to read as follows:
 - (1) The community schools program is created in the department of community, trade, and economic development to provide capital grant funds for the development of community schools and to convert empty school buildings into community facilities.
 - (2) The purposes of the program are: (a) Improving the coordination, availability, and effectiveness of services for children and families; (b) helping children to come to school ready to learn every day; (c) enabling families to participate in the education of their children; and (d) enabling more efficient use of federal, state, local, and private sector resources that serve children and families.
 - (3) Grants provided through the program may be used for the acquisition, construction, rehabilitation, and improvement of facilities to assist with the implementation of this act.
- 20 (4) The department of community, trade, and economic development 21 shall:
 - (a) Establish a competitive process to solicit project proposals that assist eligible entities in acquiring, constructing, rehabilitating, or improving facilities, including surplus schools, to be used for the delivery of nonresidential qualified services in surplus school buildings, on school grounds, or within a reasonable safe walking distance from the school given the age of the students;
 - (b) Evaluate and rank applications in consultation with an independent advisory board using objective criteria;
 - (c) Establish a tiered system to determine the amount of matching funds required from a grantee based on financial need, taking into consideration:
 - (i) Community purpose; and
 - (ii) The ability of the applicant to obtain matching funds; and
- 35 (d) Establish a prioritized list of capital projects in 36 consultation with the advisory board and submit the list annually to 37 the governor and the legislature in the department's capital budget

HB 1618 p. 2

request beginning with the 2011-2013 biennium. The list must include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project.

- (5) In evaluating and ranking applications in consultation with an independent advisory board, the department of community, trade, and economic development shall give priority consideration to projects that provide multiple qualified services and that demonstrate usage beyond the traditional school day to include usage before and after school, on weekends, and all year use.
- (6) Nonstate matching funds may include cash, the value of real property when acquired solely for the purpose of the project, and inkind contributions.
- (7) The department of community, trade, and economic development may not: (a) Require that state funds be the last to be spent on a project; or (b) set a monetary limit to funding requests.
- (8) The department of community, trade, and economic development shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects.
- (9) In contracts for grants authorized under this act, the department of community, trade, and economic development shall include provisions that require that capital improvements must be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities must be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.
- (10) As part of the application process, applicants must submit a comprehensive plan that includes information on the following:
- (a) A list of partner entities that will assist the lead eligible entity to provide or coordinate qualified services;
- (b) A memorandum of understanding between the lead eligible entity and each partner entity describing the role each entity will assume;
- (c) Plans for joint utilization and maintenance of school and community facilities by the lead eligible entity and its partner entities, as well as liability considerations;

p. 3 HB 1618

(d) The student, family, and school community to be served, including information about the number of students, families, and community residents to be served, frequency of services, and information related to the percent of local elementary students that receive free and reduced-price meals in the target area;

- (e) Existing qualified services available at each school to be served and in the community involved;
- (f) The location of the proposed project, including that if the project is not on school grounds, or is not a surplus school, then documentation is required that the proposed project is within a reasonable safe walking distance for the age of the students;
- (g) Qualified services to be provided or coordinated by the lead eligible entity and its partner entities; and
- (h) An examination of capital and operating funding sources that applicants intend to apply to the project and qualified services at each school to be served, whether such funding is derived from grants under this act or from other federal, state, local, or private sources.
- (11) Project applicants must also demonstrate that the proposed project is ready to proceed, will make timely use of the funds, and requires state funding to accomplish a discrete, usable phase of the project.
- (12) If state grant funds under this act are used for the acquisition of surplus school facilities, sale proceeds must be used by the local school board disposing of such property for renovation, replacement, or new construction of school facilities in the district.
- NEW SECTION. Sec. 4. A new section is added to chapter 43.63A RCW to read as follows:

The definitions in this section apply throughout section 3 of this act unless the context clearly requires otherwise.

- (1) "Advisory board" means an independent advisory board including, but not limited to, a representative from the office of the superintendent of public instruction, an early learning expert, a youth recreational facility expert, a social service facility expert, a local school district representative, and a public higher education representative.
- 36 (2) "Community school" means both a place and a set of partnerships 37 between entities including, but not limited to, public schools,

HB 1618 p. 4

- postsecondary institutions, local governments, nonprofit early learning providers, and other nonprofit community resources with an integrated focus on academics, health and social services, youth and community development, and community engagement.
- 5 (3) "Eligible entity" means a public school district, local 6 government, nonprofit organization, nonprofit early learning provider, 7 or tribal government.
 - (4) "Qualified services" means the following:
 - (a) Early childhood education;
- 10 (b) Remedial education activities and academic enrichment 11 activities;
- 12 (c) Programs that promote parental involvement and family literacy;
- (d) Youth development programs;
- 14 (e) Parent leadership development activities;
- 15 (f) Parenting education activities;
- 16 (g) Child care services;

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- (h) Community service opportunities;
- 18 (i) Programs that provide assistance to students who have been 19 truant, suspended, or expelled;
- 20 (j) Job training and career counseling services;
- 21 (k) Nutrition services;
 - (1) Primary health and dental care;
 - (m) Mental health prevention and treatment services;
- 24 (n) Adult education, including instruction in English as a second 25 language; and
- 26 (o) Other services as determined by the advisory board.
- 27 (5) "Surplus school" means a facility that is determined to be 28 surplus to the needs of a district by the local school board.
- 29 **Sec. 5.** RCW 43.63A.135 and 2006 c 371 s 234 are each amended to 30 read as follows:
- 31 (1) The department of community, trade, and economic development 32 must establish a competitive process to solicit proposals for and 33 prioritize projects whose primary objective is to assist nonprofit 34 youth organizations in acquiring, constructing, or rehabilitating 35 facilities used for the delivery of nonresidential services, excluding 36 outdoor athletic fields.

p. 5 HB 1618

(2) The department of community, trade, and economic development must establish a competitive process to prioritize applications for the assistance as follows:

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- (a) The department of community, trade, and economic development must conduct a statewide solicitation of project applications from local governments, nonprofit organizations, and other entities, as determined by the department of community, trade, and economic The department of community, trade, and economic development. development must evaluate and rank applications in consultation with a citizen advisory committee using objective criteria. Projects must have a major recreational component, and must have either educational or social service component. At a minimum, applicants must demonstrate that the requested assistance will increase the efficiency or quality of the services it provides to youth. The evaluation and ranking process must also include an examination of existing assets that applicants may apply to projects. Priority consideration must be given to projects that include cooperative partnerships or joint use agreements for facilities shared with public school districts, nonprofit early learning providers, local governments, postsecondary institutions, tribal governments, or other entities as determined by the department of community, trade, and economic development. Grant assistance under this section may not exceed twenty-five percent of the total cost of the project. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.
 - (b) The department of community, trade, and economic development must submit a prioritized list of recommended projects to the governor and the legislature in the department of community, trade, and economic development's biennial capital budget request beginning with the ((2005-2007)) 2011-2013 biennium and thereafter. The list must include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. The total amount of recommended state funding for projects on a biennial project list must not exceed eight million dollars. The department of community, trade, and economic development may not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects.

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(c) In contracts for grants authorized under this section the department of community, trade, and economic development must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee must repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

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Sec. 6. RCW 28A.525.050 and 2006 c 263 s 303 are each amended to read as follows:

All applications by school districts for state assistance in providing school plant facilities shall be made to the superintendent of public instruction. Studies and surveys shall be conducted by the superintendent for the purpose of securing information relating to (1) the kind and extent of the school plant facilities required and the urgency of need for such facilities in districts that seek state assistance, (2) the ability of such districts to provide capital outlay funds by local effort, (3) the need for improvement of school administrative units and school attendance areas among or within such districts, and (4) any other pertinent matters. Studies and surveys must also include an inventory of school district facilities jointly used, or that could potentially be used for other community purposes, including detail on cooperative partnerships. School districts shall submit a long-term comprehensive plan for community use of school buildings. Recommendations respecting action on the applications shall be submitted to the superintendent of public instruction.

NEW SECTION. Sec. 7. A new section is added to chapter 28A.525 RCW to read as follows:

(1) The superintendent of public instruction shall provide a ten percent enhancement to the area cost allowance for school districts requesting state assistance under this chapter if the district can certify and provide documentation that it has a comprehensive plan for cooperative partnerships that include the joint use of school

p. 7 HB 1618

facilities for multiple qualified services for the facility proposed for assistance. Documentation must include:

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- (a) A list of other eligible entities that will assist the school district to provide or coordinate qualified services;
- (b) A memorandum of understanding between the school district and the other eligible entities describing the role each entity will assume;
- 8 (c) Plans for joint utilization and maintenance of the school 9 facility by the school district and its other eligible entities, as 10 well as liability considerations;
 - (d) The student, family, and school community to be served, including information about the number of students, families, and community residents to be served, frequency of services, and information related to the percent of local elementary students that receive free and reduced-price meals in the target area;
 - (e) Qualified services to be provided or coordinated by the school district and its other eligible entities; and
 - (f) A description of capital and operating funding sources that the school district intends to apply to the project and qualified services at the school to be served, whether such funding is derived from grants under this act or from other federal, state, local, or private sources.
 - (2) The office of the superintendent of public instruction shall develop rules for implementation of this section by September 1, 2009. The superintendent of public instruction shall adopt rules that set specific time requirements of joint use beyond the traditional school day to include before and after school use, weekends, and all year use, in order for a district to be eligible for the area cost allowance enhancement.
- (3) For the purposes of this section, the terms "eligible entity" and "qualified services" have the same meaning as defined in section 4 of this act.
- 32 **Sec. 8.** RCW 28A.335.120 and 2006 c 263 s 913 are each amended to 33 read as follows:
- 34 (1) The board of directors of any school district of this state 35 may:
- 36 (a) Sell for cash, at public or private sale, and convey by deed

HB 1618 p. 8

all interest of the district in or to any of the real property of the district which is no longer required for school purposes; and

- (b) Purchase real property for the purpose of locating thereon and affixing thereto any house or houses and appurtenant buildings removed from school sites owned by the district and sell for cash, at public or private sale, and convey by deed all interest of the district in or to such acquired and improved real property.
- (2) When the board of directors of any school district proposes a sale of school district real property pursuant to this section and the value of the property exceeds seventy thousand dollars, the board shall publish a notice of its intention to sell the property. The notice shall be published at least once each week during two consecutive weeks in a legal newspaper with a general circulation in the area in which the school district is located. The notice shall describe the property to be sold and designate the place where and the day and hour when a hearing will be held. The board shall hold a public hearing upon the proposal to dispose of the school district property at the place and the day and hour fixed in the notice and admit evidence offered for and against the propriety and advisability of the proposed sale.
- (3) The board of directors of any school district desiring to sell surplus real property shall publish a notice in a newspaper of general circulation in the school district. School districts shall not sell the property for at least forty-five days following the publication of the newspaper notice.
- (4) Private schools shall have the same rights as any other person or entity to submit bids for the purchase of surplus real property and to have such bids considered along with all other bids.
- (5) Any sale of school district real property authorized pursuant to this section shall be preceded by a market value appraisal by a professionally designated real estate appraiser as defined in RCW 74.46.020 or a general real estate appraiser certified under chapter 18.140 RCW selected by the board of directors and no sale shall take place if the sale price would be less than ninety percent of the appraisal made by the real estate appraiser: PROVIDED, That if the property has been on the market for one year or more the property may be reappraised and sold for not less than seventy-five percent of the reappraised value with the unanimous consent of the board.

p. 9 HB 1618

- (6) If in the judgment of the board of directors of any district 1 2 the sale of real property of the district not needed for school purposes would be facilitated and greater value realized through use of 3 4 the services of licensed real estate brokers, a contract for such services may be negotiated and concluded: PROVIDED, That the use of a 5 licensed real estate broker will not eliminate the obligation of the 6 board of directors to provide the notice described in this section: 7 8 PROVIDED FURTHER, That the fee or commissions charged for any broker services shall not exceed seven percent of the resulting sale value for 9 10 a single parcel: PROVIDED FURTHER, That any professionally designated 11 real estate appraiser as defined in RCW 74.46.020 or a general real 12 estate appraiser certified under chapter 18.140 RCW selected by the 13 board to appraise the market value of a parcel of property to be sold may not be a party to any contract with the school district to sell 14 15 such parcel of property for a period of three years after the 16 appraisal.
 - (7) If in the judgment of the board of directors of any district the sale of real property of the district not needed for school purposes would be facilitated and greater value realized through sale on contract terms, a real estate sales contract may be executed between the district and buyer.
- 22 (8) The procedural requirements of this section do not apply to 23 sales of surplus schools under the community schools program 24 established in section 3 of this act.
- 25 **Sec. 9.** RCW 28A.335.130 and 2004 c 6 s 2 are each amended to read 26 as follows:

Except as provided in RCW 28A.335.240(1) and section 3 of this act, the proceeds from any sale of school district real property by a board of directors shall be deposited to the debt service fund and/or the capital projects fund, except for amounts required to be expended for the costs associated with the sale of such property, which moneys may be deposited into the fund from which the expenditure was incurred.

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HB 1618 p. 10

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