
SUBSTITUTE HOUSE BILL 1915

State of Washington 62nd Legislature 2011 Regular Session

By House Capital Budget (originally sponsored by Representatives Dunshee, Warnick, Ormsby, Condotta, Sells, Anderson, Green, and Armstrong; by request of State Treasurer)

READ FIRST TIME 02/23/11.

1 AN ACT Relating to state assistance for financing local government
2 infrastructure; and amending RCW 43.155.020, 43.155.030, 43.155.050,
3 43.155.060, 43.155.070, 43.160.030, 43.160.035, and 43.160.060.

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

5 **Sec. 1.** RCW 43.155.020 and 2009 c 565 s 33 are each amended to
6 read as follows:

7 Unless the context clearly requires otherwise, the definitions in
8 this section shall apply throughout this chapter.

9 (1) "Board" means the public works board created in RCW 43.155.030.

10 (2) "Capital facility plan" means a capital facility plan required
11 by the growth management act under chapter 36.70A RCW or, for local
12 governments not fully planning under the growth management act, a plan
13 required by the public works board.

14 (3) "Contingent loan agreement" means an agreement between the
15 state and a local government in which the state provides an absolute
16 and unconditional commitment to make a loan to a local government from
17 the public works assistance account in order to enhance the credit of
18 local government borrowing.

19 (4) "Department" means the department of commerce.

1 (~~(4) "Financing guarantees" means the pledge of money in the~~
2 ~~public works assistance account, or money to be received by the public~~
3 ~~works assistance account, to the repayment of all or a portion of the~~
4 ~~principal of or interest on obligations issued by local governments to~~
5 ~~finance public works projects.))~~

6 (5) "Local governments" means cities, towns, counties, special
7 purpose districts, and any other municipal corporations or quasi-
8 municipal corporations in the state excluding school districts and port
9 districts.

10 (6) "Public works project" means a project of a local government
11 for the planning, acquisition, construction, repair, reconstruction,
12 replacement, rehabilitation, or improvement of (~~(streets and roads,~~
13 ~~bridges,))~~ water systems, (~~(or)~~) storm and sanitary sewage systems
14 (~~and~~), solid waste facilities, including recycling facilities, and
15 flood control levees. A planning project may include the compilation
16 of biological, hydrological, or other data on a county, drainage basin,
17 or region necessary to develop a base of information for a capital
18 facility plan.

19 (7) "Solid waste or recycling project" means remedial actions
20 necessary to bring abandoned or closed landfills into compliance with
21 regulatory requirements and the repair, restoration, and replacement of
22 existing solid waste transfer, recycling facilities, and landfill
23 projects limited to the opening of landfill cells that are in existing
24 and permitted landfills.

25 (8) "Technical assistance" means training and other services
26 provided to local governments to: (a) Help such local governments
27 plan, apply, and qualify for loans and (~~(financing guarantees))~~
28 contingent loan agreements from the board, and (b) help local
29 governments improve their ability to plan for, finance, acquire,
30 construct, repair, replace, rehabilitate, and maintain public
31 facilities.

32 **Sec. 2.** RCW 43.155.030 and 1999 c 153 s 58 are each amended to
33 read as follows:

34 (1) The public works board is hereby created.

35 (2)(a) The board shall be composed of thirteen members.

36 **(b)(i) One member shall be from the house of representatives,**
37 **appointed by the speaker of the house of representatives.**

1 (ii) One member shall be from the senate, appointed by the
2 president of the senate.

3 (c) Nine members shall be appointed by the governor for terms of
4 four years, except that five members initially shall be appointed for
5 terms of two years. The board shall include: ~~((a) Three)~~ (i) Two
6 members, ~~((two))~~ one of whom shall be an elected official~~((s))~~ and one
7 shall be a public works manager, appointed from a list of at least six
8 persons nominated by the association of Washington cities or its
9 successor; ~~((b) three)~~ (ii) two members, ~~((two))~~ one of whom shall be
10 an elected official~~((s))~~ and one shall be a public works manager,
11 appointed from a list of at least six persons nominated by the
12 Washington state association of counties or its successor; ~~((c)~~
13 ~~three~~) (iii) two members appointed from a list of at least six persons
14 nominated jointly by the Washington public utility districts
15 association and a state association of water-sewer districts, or their
16 successors; and ~~((d) four)~~ (iv) three members appointed from the
17 general public. In appointing the ~~((four))~~ general public members, the
18 governor shall endeavor to balance the geographical composition of the
19 board and to include members with special expertise in relevant fields
20 such as public finance, architecture and civil engineering, and public
21 works construction. The governor shall appoint one of the general
22 public members of the board as chair. The term of the chair shall
23 coincide with the term of the governor.

24 (d) Two members shall be from the community economic revitalization
25 board, one of whom shall be the chair, selected in accordance with RCW
26 43.160.030, and one of whom shall be chosen by the community
27 revitalization board members.

28 (3) Staff support to the board shall be provided by the department.

29 (4)(a) Nonlegislative members of the board shall receive no
30 compensation but shall be reimbursed for travel expenses under RCW
31 43.03.050 and 43.03.060.

32 (b) Legislative members of the board shall be reimbursed for travel
33 expenses under RCW 44.04.120.

34 (5)(a) If a public member vacancy on the board occurs by death,
35 resignation, or otherwise, the governor shall fill the vacant position
36 for the unexpired term. Each vacancy in a position appointed from
37 lists provided by the associations under subsection (2) of this section
38 shall be filled from a list of at least three persons nominated by the

1 relevant association or associations. Any public members of the board,
2 appointive or otherwise, may be removed by the governor for cause in
3 accordance with RCW 43.06.070 and 43.06.080.

4 (b) If a legislative member vacancy on the board occurs by death,
5 resignation, or otherwise, the vacancy shall be filled in the same
6 manner as the original appointment.

7 **Sec. 3.** RCW 43.155.050 and 2010 1st sp.s. c 37 s 932 are each
8 amended to read as follows:

9 The public works assistance account is hereby established in the
10 state treasury. Money may be placed in the public works assistance
11 account from the proceeds of bonds when authorized by the legislature
12 or from any other lawful source. Moneys in the account may be expended
13 only after appropriation. Money in the public works assistance account
14 shall be used to make loans ~~((and to give financial guarantees))~~ to
15 local governments for public works projects and to make payments
16 required under contingent loan agreements for public works projects.
17 Moneys in the account may also be appropriated to provide for state
18 match requirements under federal law for projects and activities
19 conducted and financed by the board under the drinking water assistance
20 account. Not more than fifteen percent of the biennial capital budget
21 appropriation to the public works board from this account may be
22 expended or obligated for preconstruction loans, emergency loans, or
23 loans for capital facility planning under this chapter; of this amount,
24 not more than ten percent of the biennial capital budget appropriation
25 may be expended for emergency loans and not more than one percent of
26 the biennial capital budget appropriation may be expended for capital
27 facility planning loans. For the 2007-2009 biennium, moneys in the
28 account may be used for grants for projects identified in section 138,
29 chapter 488, Laws of 2005 and section 1033, chapter 520, Laws of 2007.
30 During the 2009-2011 fiscal biennium, sums in the public works
31 assistance account may be used for the water pollution control
32 revolving fund program match in section 3013, chapter 36, Laws of 2010
33 1st sp. sess. During the 2009-2011 fiscal biennium, the legislature
34 may transfer from the job development fund to the general fund such
35 amounts as reflect the excess fund balance of the fund.

1 **Sec. 4.** RCW 43.155.060 and 1988 c 93 s 2 are each amended to read
2 as follows:

3 (1) In order to aid the financing of public works projects, the
4 board may:

5 ~~((1))~~ (a) Make low-interest or interest-free loans to local
6 governments from the public works assistance account or other funds and
7 accounts for the purpose of assisting local governments in financing
8 public works projects. The board may require such terms and conditions
9 and may charge such rates of interest on its loans as it deems
10 necessary or convenient to carry out the purposes of this chapter.
11 Money received from local governments in repayment of loans made under
12 this section shall be paid into the public works assistance account for
13 uses consistent with this chapter~~((7))~~;

14 ~~((2) Pledge money in the public works assistance account, or money
15 to be received by the public works assistance account, to the repayment
16 of all or a portion of the principal of or interest on obligations
17 issued by local governments to finance public works projects. The
18 board shall not pledge any amount greater than the sum of money in the
19 public works assistance account plus money to be received from the
20 payment of the debt service on loans made from that account, nor shall
21 the board pledge the faith and credit or the taxing power of the state
22 or any agency or subdivision thereof to the repayment of obligations
23 issued by any local government.~~

24 ~~(3))~~ (b) Make loans to local governments to assist those local
25 governments to pay all or a portion of the principal of or interest on
26 obligations issued to finance infrastructure projects pursuant to
27 contingent loan agreements;

28 (c) Coordinate with the Washington state treasurer, who, on behalf
29 of the state of Washington, may prescribe the terms of and enter into
30 a contingent loan agreement between the state and a local government if
31 the state treasurer determines that such a contingent loan agreement is
32 financially prudent and is consistent with the provisions of this
33 chapter. The office of the state treasurer may charge a fee to local
34 governments to recover the costs of creating the contingent loan
35 agreements;

36 (i) The state's obligation to make any loan to a local government
37 pursuant to the terms of a contingent loan agreement shall be subject
38 to appropriation from the public works assistance account;

1 (ii) In order to provide for the state of Washington's obligations
2 under the terms of contingent loan agreements, the legislature shall
3 make provision, from time to time in appropriations acts, for such
4 amounts as may be required to make timely payments from the public
5 works assistance account;

6 (d) Create such subaccounts in the public works assistance account
7 as the board deems necessary to carry out the purposes of this
8 chapter((~~-~~)); and

9 ((~~+4~~)) (e) Provide a method for the allocation of loans ((and
10 financing guarantees)) and contingent loan agreements, and for the
11 provision of technical assistance under this chapter.

12 (2) Neither the board nor the state treasurer may pledge the faith
13 and credit or the taxing power of the state or any agency or
14 subdivision thereof to the repayment of obligations issued by any local
15 government.

16 (3) The board shall consult with the community economic
17 revitalization board established under chapter 43.160 RCW to explore
18 opportunities for coordination and consistency.

19 (4) All local public works projects aided in whole or in part under
20 the provisions of this chapter shall be put out for competitive bids,
21 except for emergency public works under RCW 43.155.065 for which the
22 recipient jurisdiction shall comply with this requirement to the extent
23 feasible and practicable. The competitive bids called for shall be
24 administered in the same manner as all other public works projects put
25 out for competitive bidding by the local governmental entity aided
26 under this chapter.

27 **Sec. 5.** RCW 43.155.070 and 2009 c 518 s 16 are each amended to
28 read as follows:

29 (1) To qualify for a loan(~~(s)~~) or (~~(pledges)~~) contingent loan
30 agreement under this chapter the board must determine that a local
31 government meets all of the following conditions:

32 (a) The city or county must be imposing a tax under chapter 82.46
33 RCW at a rate of at least one-quarter of one percent;

34 (b) The local government must have developed a capital facility
35 plan; (~~and~~)

36 (c) The local government must be using all local revenue sources

1 which are reasonably available for funding public works, taking into
2 consideration local employment and economic factors;

3 (d) The local government must have an equitable sewer user charge
4 system for residential, commercial, and industrial users that the
5 governing body of the local government determines will provide for the
6 maintenance and operation of that system and for the timely payment of
7 all financial obligations of the planned sewer utility;

8 (e) The connection fees for new connections to a sewer system must
9 reflect a fair share cost of infrastructure from which new connections
10 will benefit;

11 (f) The local government must have a capital wastewater facilities
12 reserve fund dedicated to paying for wastewater infrastructure and
13 equipment replacement; and

14 (g) A sewer use ordinance must restrict certain connections and
15 wastes to protect a local government's investment and enhance the
16 wastewater treatment's process stability and effluent quality. The
17 ordinance must, at a minimum:

18 (i) Require new sewers and connections to be properly designed and
19 constructed;

20 (ii) Require a provision with a timeline and proximity in which
21 existing and future residences must connect to the sewer system;

22 (iii) Prohibit inflow sources into the sewer system; and

23 (iv) Prohibit introduction of toxic or hazardous wastes into the
24 sewer system in an amount or concentration that endangers the public's
25 safety or the physical integrity of the system which may cause
26 violations of the national pollutant discharge elimination system
27 permit or state waste discharge permit; and

28 (h) For projects involving repair, replacement, or improvement of
29 a wastewater treatment plant or other public works facility for which
30 an investment grade audit is available, the local government must have
31 received such an audit in order to be eligible for a loan or contingent
32 loan agreement.

33 (2) Except where necessary to address a public health need or
34 substantial environmental degradation, a county, city, or town planning
35 under RCW 36.70A.040 must have adopted a comprehensive plan, including
36 a capital facilities plan element, and development regulations as
37 required by RCW 36.70A.040. This subsection does not require any
38 county, city, or town planning under RCW 36.70A.040 to adopt a

1 comprehensive plan or development regulations before requesting or
2 receiving a loan or (~~loan guarantee~~) entering into a contingent loan
3 agreement under this chapter if such request is made before the
4 expiration of the time periods specified in RCW 36.70A.040. A county,
5 city, or town planning under RCW 36.70A.040 which has not adopted a
6 comprehensive plan and development regulations within the time periods
7 specified in RCW 36.70A.040 is not prohibited from receiving a loan or
8 (~~loan guarantee~~) from entering into a contingent loan agreement under
9 this chapter if the comprehensive plan and development regulations are
10 adopted as required by RCW 36.70A.040 before submitting a request for
11 a loan or (~~loan guarantee~~) contingent loan agreement.

12 (3) In considering awarding loans (~~for public facilities to~~) or
13 entering into contingent loan agreements with a special district(~~s~~)
14 requesting funding for a proposed facility located in a county, city,
15 or town planning under RCW 36.70A.040, the board shall consider whether
16 the county, city, or town planning under RCW 36.70A.040 in whose
17 planning jurisdiction the proposed facility is located has adopted a
18 comprehensive plan and development regulations as required by RCW
19 36.70A.040.

20 (4) The board shall develop a priority process for public works
21 projects as provided in this section. The intent of the priority
22 process is to maximize the value of public works projects accomplished
23 with assistance under this chapter. The board shall attempt to assure
24 a geographical balance in assigning priorities to projects. The board
25 shall consider at least the following factors in assigning a priority
26 to a project:

27 (a) Whether the local government receiving assistance has
28 experienced severe fiscal distress resulting from natural disaster or
29 emergency public works needs;

30 (b) (~~Except as otherwise conditioned by RCW 43.155.110, whether~~
31 ~~the entity receiving assistance is a Puget Sound partner, as defined in~~
32 ~~RCW 90.71.010;~~

33 ~~(c)~~) If the project is located in the Puget Sound region, whether
34 the project is referenced in the action agenda developed by the Puget
35 Sound partnership (~~under RCW 90.71.310~~). Any project designed to
36 address the effects of storm water or wastewater on Puget Sound may
37 receive assistance under this section only if the project is not in

1 conflict with the action agenda developed by the Puget Sound
2 partnership under RCW 90.71.310;

3 ~~((d))~~ (c) Whether the project is critical in nature and would
4 affect the health and safety of a great number of citizens;

5 ~~((e))~~ (d) Whether the applicant has developed and adhered to
6 guidelines regarding its permitting process for those applying for
7 development permits consistent with section 1(2), chapter 231, Laws of
8 2007;

9 ~~((f))~~ (e) The cost of the project compared to the size of the
10 local government and amount of loan money available;

11 ~~((g))~~ (f) The number of communities served by or funding the
12 project;

13 ~~((h))~~ (g) Whether the project is located in an area of high
14 unemployment, compared to the average state unemployment;

15 ~~((i))~~ (h) Whether the project is the acquisition, expansion,
16 improvement, or renovation by a local government of a public water
17 system that is in violation of health and safety standards, including
18 the cost of extending existing service to such a system;

19 ~~((j))~~ (i) Except as otherwise conditioned by RCW 43.155.120, and
20 effective one calendar year following the development of model
21 evergreen community management plans and ordinances under RCW
22 35.105.050, whether the entity receiving assistance has been
23 recognized, and what gradation of recognition was received, in the
24 evergreen community recognition program created in RCW 35.105.030;

25 ~~((k))~~ (j) The relative benefit of the project to the community,
26 considering the present level of economic activity in the community and
27 the existing local capacity to increase local economic activity in
28 communities that have low economic growth; and

29 ~~((l))~~ (k) Other criteria that the board considers advisable.

30 (5) Existing debt or financial obligations of local governments
31 shall not be refinanced under this chapter. Each local government
32 applicant shall provide documentation of attempts to secure additional
33 local or other sources of funding for each public works project for
34 which financial assistance is sought under this chapter.

35 (6) Before November 1st of each even-numbered year, the board shall
36 develop and submit to the appropriate fiscal committees of the senate
37 and house of representatives a description of the loans made under RCW
38 43.155.065, 43.155.068, and subsection (9) of this section and the

1 contingent loan agreements made under RCW 43.160.030, during the
2 preceding fiscal year, and a prioritized list of projects which are
3 recommended for funding by the legislature(~~(, including one copy to the~~
4 ~~staff of each of the committees)~~). The list shall include, but not be
5 limited to, a description of each project and recommended financing,
6 the terms and conditions of the loan (~~(or financial guarantee)~~), the
7 local government jurisdiction and unemployment rate, demonstration of
8 the jurisdiction's critical need for the project, and documentation of
9 local funds being used to finance the public works project. The list
10 shall also include measures of fiscal capacity for each jurisdiction
11 recommended for financial assistance, compared to authorized limits and
12 state averages, including local government sales taxes; real estate
13 excise taxes; property taxes; and charges for or taxes on sewerage,
14 water, garbage, and other utilities.

15 (7) The board shall not sign contracts or otherwise financially
16 obligate funds from the public works assistance account before the
17 legislature has appropriated funds for a specific list of public works
18 projects. The legislature may remove projects from the list
19 recommended by the board. The legislature shall not change the order
20 of the priorities recommended for funding by the board.

21 (8) Subsection (7) of this section does not apply to loans made
22 under RCW 43.155.065, 43.155.068, and subsection (9) of this section or
23 the contingent loan agreements made under RCW 43.160.030.

24 (9) Loans made for the purpose of capital facilities plans shall be
25 exempted from subsection (7) of this section.

26 (10) To qualify for a loan(~~s~~) or (~~pledges~~) contingent loan
27 agreement for solid waste or recycling facilities under this chapter,
28 a city or county must demonstrate that the solid waste or recycling
29 facility is consistent with and necessary to implement the
30 comprehensive solid waste management plan adopted by the city or county
31 under chapter 70.95 RCW.

32 (~~((11) After January 1, 2010, any project designed to address the~~
33 ~~effects of storm water or wastewater on Puget Sound may be funded under~~
34 ~~this section only if the project is not in conflict with the action~~
35 ~~agenda developed by the Puget Sound partnership under RCW 90.71.310.))~~

36 **Sec. 6.** RCW 43.160.030 and 2008 c 327 s 3 are each amended to read
37 as follows:

1 (1) The community economic revitalization board is hereby created
2 to exercise the powers granted under this chapter.

3 (2) The board shall consist of one member from (~~each of the two~~
4 ~~major caucuses of~~) the house of representatives to be appointed by the
5 speaker of the house and one member from (~~each of the two major~~
6 ~~caucuses of~~) the senate to be appointed by the president of the
7 senate. The board shall also consist of the following members
8 appointed by the governor: A recognized private or public sector
9 economist; one port district official; one county official; one city
10 official; one representative of a federally recognized Indian tribe;
11 one representative of the public; one representative of small
12 businesses each from: (a) The area west of Puget Sound, (b) the area
13 east of Puget Sound and west of the Cascade range, (c) the area east of
14 the Cascade range and west of the Columbia river, and (d) the area east
15 of the Columbia river; one executive from large businesses each from
16 the area west of the Cascades and the area east of the Cascades. The
17 appointive members shall initially be appointed to terms as follows:
18 Three members for one-year terms, three members for two-year terms, and
19 three members for three-year terms which shall include the chair.
20 Thereafter each succeeding term shall be for three years. The chair of
21 the board shall be selected by the governor. The members of the board
22 shall elect one of their members to serve as vice chair. The director
23 of (~~community, trade, and economic development~~) commerce, the
24 director of revenue, the commissioner of employment security, and the
25 secretary of transportation shall serve as nonvoting advisory members
26 of the board.

27 (3) Management services, including fiscal and contract services,
28 shall be provided by the department to assist the board in implementing
29 this chapter.

30 (4) Members of the board shall be reimbursed for travel expenses as
31 provided in RCW 43.03.050 and 43.03.060.

32 (5) If a vacancy occurs by death, resignation, or otherwise of
33 appointive members of the board, the governor shall fill the same for
34 the unexpired term. Members of the board may be removed for
35 malfeasance or misfeasance in office, upon specific written charges by
36 the governor, under chapter 34.05 RCW.

37 (6) A member appointed by the governor may not be absent from more
38 than fifty percent of the regularly scheduled meetings in any one

1 calendar year. Any member who exceeds this absence limitation is
2 deemed to have withdrawn from the office and may be replaced by the
3 governor.

4 (7) A majority of members currently appointed constitutes a quorum.

5 **Sec. 7.** RCW 43.160.035 and 2003 c 151 s 2 are each amended to read
6 as follows:

7 ~~((Each))~~ (1) The member of the house of representatives who is
8 appointed to the community economic revitalization board under RCW
9 43.160.030 may designate another member from the house of
10 representatives to take his or her place on the board for meetings at
11 which the member will be absent(~~(, as long as the designated member~~
12 ~~belongs to the same caucus. The designee shall have all powers to vote~~
13 ~~and participate in board deliberations as have the other board~~
14 ~~members)).~~ ~~((Each))~~ The member of the senate who is appointed to the
15 community economic revitalization board under RCW 43.160.030 may
16 designate another member from the senate to take his or her place on
17 the board for meetings at which the member will be absent(~~(, as long as~~
18 ~~the designated member belongs to the same caucus. The designee shall~~
19 ~~have all powers to vote and participate in board deliberations as have~~
20 ~~the other board members)).~~ Each agency head of an executive agency who
21 is appointed to serve as a nonvoting advisory member of the community
22 economic revitalization board under RCW 43.160.030 may designate an
23 agency employee to take his or her place on the board for meetings at
24 which the agency head will be absent.

25 ~~((The))~~ (2) Designees ~~((will))~~ under this section have all powers
26 to participate in board deliberations as have the other board members
27 but shall not have voting powers.

28 **Sec. 8.** RCW 43.160.060 and 2008 c 327 s 5 are each amended to read
29 as follows:

30 (1) The board is authorized to make direct loans to political
31 subdivisions of the state and to federally recognized Indian tribes for
32 the purposes of assisting the political subdivisions and federally
33 recognized Indian tribes in financing the cost of public facilities,
34 including development of land and improvements for public facilities,
35 project-specific environmental, capital facilities, land use,
36 permitting, feasibility, and marketing studies and plans; project

1 design, site planning, and analysis; project debt and revenue impact
2 analysis; as well as the construction, rehabilitation, alteration,
3 expansion, or improvement of the facilities. A grant may also be
4 authorized for purposes designated in this chapter, but only when, and
5 to the extent that, a loan is not reasonably possible, given the
6 limited resources of the political subdivision or the federally
7 recognized Indian tribe and the finding by the board that financial
8 circumstances require grant assistance to enable the project to move
9 forward. However, no more than twenty-five percent of all financial
10 assistance approved by the board in any biennium may consist of grants
11 to political subdivisions and federally recognized Indian tribes.

12 (2) Application for funds shall be made in the form and manner as
13 the board may prescribe. In making grants or loans the board shall
14 conform to the following requirements:

15 ~~((1))~~ (a) The board shall not provide financial assistance:

16 ~~((a))~~ (i) For a project the primary purpose of which is to
17 facilitate or promote a retail shopping development or expansion.

18 ~~((b))~~ (ii) For any project that evidence exists would result in
19 a development or expansion that would displace existing jobs in any
20 other community in the state.

21 ~~((c))~~ (iii) For a project the primary purpose of which is to
22 facilitate or promote gambling.

23 ~~((d))~~ (iv) For a project located outside the jurisdiction of the
24 applicant political subdivision or federally recognized Indian tribe.

25 ~~((2))~~ (b) The board shall only provide financial assistance:

26 ~~((a))~~ (i) For a project demonstrating convincing evidence that a
27 specific private development or expansion is ready to occur and will
28 occur only if the public facility improvement is made that:

29 ~~((i))~~ (A) Results in the creation of significant private sector
30 jobs or significant private sector capital investment as determined by
31 the board and is consistent with the state comprehensive economic
32 development plan developed by the Washington economic development
33 commission pursuant to chapter 43.162 RCW, once the plan is adopted;
34 and

35 ~~((ii))~~ (B) Will improve the opportunities for the successful
36 maintenance, establishment, or expansion of industrial or commercial
37 plants or will otherwise assist in the creation or retention of long-
38 term economic opportunities;

1 ~~((b))~~ (ii) For a project that cannot meet the requirement of
2 ~~((a))~~ (b)(i) of this subsection but is a project that:
3 ~~((i))~~ (A) Results in the creation of significant private sector
4 jobs or significant private sector capital investment as determined by
5 the board and is consistent with the state comprehensive economic
6 development plan developed by the Washington economic development
7 commission pursuant to chapter 43.162 RCW, once the plan is adopted;
8 ~~((ii))~~ (B) Is part of a local economic development plan
9 consistent with applicable state planning requirements;
10 ~~((iii))~~ (C) Can demonstrate project feasibility using standard
11 economic principles; and
12 ~~((iv))~~ (D) Is located in a rural community as defined by the
13 board, or a rural county;
14 ~~((e))~~ (iii) For site-specific plans, studies, and analyses that
15 address environmental impacts, capital facilities, land use,
16 permitting, feasibility, marketing, project engineering, design, site
17 planning, and project debt and revenue impacts, as grants not to exceed
18 fifty thousand dollars.
19 ~~((3))~~ (c) The board shall consult with the public works board
20 established under chapter 43.155 RCW to explore opportunities for
21 coordination and consistency.
22 (d) The board shall develop guidelines for local participation and
23 allowable match and activities.
24 ~~((4))~~ (e) An application must demonstrate local match and local
25 participation, in accordance with guidelines developed by the board.
26 ~~((5))~~ (f) An application must be approved by the political
27 subdivision and supported by the local associate development
28 organization or local workforce development council or approved by the
29 governing body of the federally recognized Indian tribe.
30 ~~((6))~~ (g) The board may allow de minimis general system
31 improvements to be funded if they are critically linked to the
32 viability of the project.
33 ~~((7))~~ (h) An application must demonstrate convincing evidence
34 that the median hourly wage of the private sector jobs created after
35 the project is completed will exceed the countywide median hourly wage.
36 ~~((8))~~ (i) The board shall prioritize each proposed project
37 according to:

1 ~~((a))~~ (i) The relative benefits provided to the community by the
2 jobs the project would create, not just the total number of jobs it
3 would create after the project is completed, but also giving
4 consideration to the unemployment rate in the area in which the jobs
5 would be located;

6 ~~((b))~~ (ii) The rate of return of the state's investment,
7 including, but not limited to, the leveraging of private sector
8 investment, anticipated job creation and retention, and expected
9 increases in state and local tax revenues associated with the project;

10 ~~((c))~~ (iii) Whether the proposed project offers a health
11 insurance plan for employees that includes an option for dependents of
12 employees;

13 ~~((d))~~ (iv) Whether the public facility investment will increase
14 existing capacity necessary to accommodate projected population and
15 employment growth in a manner that supports infill and redevelopment of
16 existing urban or industrial areas that are served by adequate public
17 facilities. Projects should maximize the use of existing
18 infrastructure and provide for adequate funding of necessary
19 transportation improvements; and

20 ~~((e))~~ (v) Whether the applicant has developed and adhered to
21 guidelines regarding its permitting process for those applying for
22 development permits consistent with section 1(2), chapter 231, Laws of
23 2007.

24 ~~((9))~~ (j) A responsible official of the political subdivision or
25 the federally recognized Indian tribe shall be present during board
26 deliberations and provide information that the board requests.

27 Before any financial assistance application is approved, the
28 political subdivision or the federally recognized Indian tribe seeking
29 the assistance must demonstrate to the community economic
30 revitalization board that no other timely source of funding is
31 available to it at costs reasonably similar to financing available from
32 the community economic revitalization board.

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