

WQTIF Neighborhood Project Advisory Committee (NPAC)

February 5, 2020 | 4:00 PM to 5:30 PM | City Hall, 808 W. Spokane Falls Blvd., Spokane, WA 99201

Tribal Conference Room (First Floor, City Hall)

Attendees: Members of the WQTIF Citizens Advisory Board, Open to the Public

Discussion Items *(All Times are Approximate)*

1. Welcome and Introductions 4:00 pm (5 mins)
2. Approval of Meeting Minutes 4:05 pm (5 mins)
3. Status of Council Proposal to Amend WQTIF 4:10 pm (20 mins)
4. WA House Bill 2497 Amending "Public Improvements" 4:30 pm (15 mins)
5. 2019 Annual Report Approval 4:45 pm (20 mins)
6. Open Forum 5:05 pm (5 mins)

Open Forum is an opportunity for citizens to discuss items of interest that are not on the current agenda for discussion. Topics should consider the activities/ responsibilities of the NPAC and should not include political campaign topics. Each speaker may be limited to three minutes if several people wish to speak, subject to the Chairperson's determination. If you wish to speak at the open forum, please sign up on the sign-up sheet provided at the meeting.

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or msteinolfson@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.



West Quadrant TIF Neighborhood Project Advisory Committee Meeting Minutes

November 6, 2019

Committee Members Present: Kimberly Lawrence (Chair), Michael Pflieger, Vickie Munch, Megan Kennedy, Alan Chatham, Fran Papenleur

Staff Present: Kevin Freibott (staff liaison); Tirrell Black

The meeting began at 4:03 pm.

1. **Welcome and Introductions** – Introductions were made.
2. **Approval of Meeting Minutes** –The minutes were approved unanimously (M: Ms. Munch, S: Ms. Pflieger, Unan.).
3. **Welcome New Committee Members**—Mr. Chatham and Ms. Papenleur were welcomed to the Committee and remarks were made by the Committee.
4. **West Central NC & REACH Proposal to Modify TIF Terms**—Ms. Marlin of the West Central Neighborhood Council discussed the proposal in brief. Questions and comments were offered around the table.
5. **West Central Traffic Calming**—Mr. Freibott updated the Committee on the status of the traffic calming applications in West Central and stated that no formal request for TIF funds had been received. Discussion was undertaken but no decisions were requested or made.
6. **Draft Annual Report**—Mr. Freibott provided draft reports to the Committee members for their consideration and asked for comments/amendments to the Committee priorities at the end of the report. Discussion ensued and multiple suggestions were made for Mr. Freibott to compile and provide in draft form back to the Committee at the next meeting for approval.
7. **Open Forum**—No one signed up for open forum. However, a discussion of the Committee was undertaken as to the absence of Mr. Cruz for several past meetings. Mr. Freibott was asked to reach out to Mr. Cruz and confirm his willingness and availability to continue as vice-chair for the Committee (M: Mr. Chatham; S: Ms. Papenleur, Unan.).

The meeting was adjourned at 5:10 pm.

**Agenda Sheet for City Council Meeting of:**

01/06/2020

Date Rec'd	12/17/2019
Clerk's File #	ORD C35879
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	CITY COUNCIL
Contact Name/Phone	KAREN STRATTON 625-6291
Contact E-Mail	KSTRATTON@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	0320 - AMENDMENT OF WEST QUADRANT TIF DISTRICT EXPIRATION AND PROJECT LIST

Agenda Wording

An ordinance amending ordinance No. C34032 in order to revise the description of the public improvements, extend the apportionment period, amend the intergovernmental agreement, and providing for other matters properly related thereto.

Summary (Background)

This ordinance extends the West Quadrant TIF expiration date to 2047 in order to allow the TIF district to capture property value increases that did not occur during the "Great Recession." At the same time, the project list connected to the WQTIF is amended to direct the share of the TIF revenue generated by the Kendall Yards development directly to specific projects located within a portion of the West Central neighborhood. The related intergovernmental agreement is also amended accordingly.

<u>Fiscal Impact</u>	Grant related? NO Public Works? NO	<u>Budget Account</u>
Expense	\$ TBD - revenues diverted from GF	# various
Select	\$	#
Select	\$	#
Select	\$	#
<u>Approvals</u>	<u>Council Notifications</u>	
<u>Dept Head</u>	MCCLATCHEY, BRIAN	<u>Study Session</u>
<u>Division Director</u>		<u>Other</u> UD Comm., 12-9-2019
<u>Finance</u>	HUGHES, MICHELLE	<u>Distribution List</u>
<u>Legal</u>	PICCOLO, MIKE	
<u>For the Mayor</u>	ORMSBY, MICHAEL	
<u>Additional Approvals</u>		
<u>Purchasing</u>		

ORDINANCE NO. C35879

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON, AMENDING ORDINANCE NO. C34032 IN ORDER TO REVISE THE DESCRIPTION OF THE PUBLIC IMPROVEMENTS; EXTEND THE APPORTIONMENT PERIOD; AMEND THE INTERGOVERNMENTAL AGREEMENT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

**CITY OF SPOKANE
Spokane County, Washington**

**INCREMENT AREA NO. 2007-1
(West Quadrant Increment Area)**

THE CITY OF SPOKANE DOES ORDAIN;

WHEREAS, the City of Spokane, Spokane County, Washington, (the "City"), is a first-class charter city duly incorporated and operating under the laws of the state of Washington (the "State") and the City Charter;

WHEREAS, the City is authorized by chapter 39.89 RCW (the "Act") to establish an Increment Area within the boundaries of the City and to finance public improvements using community revitalization financing to encourage private development within such Increment Area;

WHEREAS, the City Council (the "Council"), by Ordinance No. C34032, formed an Increment Area designated as the "West Quadrant Increment Area" (the "Increment Area") to encourage private development and further approved a Reimbursement Agreement with a developer;

WHEREAS, a copy of Ordinance No. C34032 is attached hereto and incorporated herein as Exhibit "A" and shall remain in full force and effect except as amended below;

WHEREAS, the Council by Ordinance No. C34758 adopted on August 8, 2011, approved the Amended and Restated Reimbursement Agreement with a successor developer, which Amended and Restated Reimbursement Agreement will expire by its terms on December 31, 2032;

WHEREAS, the Council now desires to amend the description of the Public Improvements, extend the Apportionment Period, and amend the Intergovernmental Agreement to provide for a dedicated source of revenue to fully or partially fund construction of Public Improvements by the City within the West Central Area (defined herein) upon the expiration of the Amended and Restated Reimbursement Agreement;

NOW, THEREFORE, IT IS FURTHER ORDAINED as follows:

Section 1. Definitions. Capitalized terms used in this Ordinance shall have the meanings given to them in Ordinance No. C34032, and if not defined therein, shall have the meanings given to them in chapter 39.89 RCW.

Section 2. Amendment to Section 2 of Ordinance No. C34032. Section 2 of Ordinance No. C34032 is hereby amended to provide as follows:

Section 2. Description of Plan for Public Improvements. It is the intention of the City that certain public improvements, including but not limited to those Public Improvements which are generally described below, be constructed and installed within the Increment Area:

(a) Publicly-owned street and road improvements, including: approximately 40,000 linear feet of streets and curbs; striping and signage; utility sleeves or similar facilities that will serve publicly owned utilities; approximately 14,000 linear feet of street landscaping (including trees and irrigation improvements); traffic signals; and improvements to Maple Street and Monroe Street, with an estimated cost of \$5,188,489.

(b) Publicly-owned water system improvements, including approximately: 15,060 lineal feet of water mains (including valves and fittings); 158 domestic water service lines (to the extent such lines are in the public domain); 158 building fire service lines (to the extent such lines are in the public domain); and 43 fire hydrants, with an estimated cost of \$2,382,300; provided fixtures and appurtenances required to connect private development to the public water system shall not be considered Kendall Yards Sub-Area Public Improvements.

(c) Publicly-owned sewer system improvements, including approximately: 1,800 lineal feet of sanitary sewer interceptors (including pipe in diameters of up to 72 inches); 15,060 lineal feet of sanitary sewer mains; 158 sanitary sewer service lines (to the extent such lines are in the public domain); and 60 sanitary sewer manholes, with an estimated cost of \$3,602,600; provided fixtures and appurtenances required to connect private development to the publicly owned sewer system shall not be considered Kendall Yards Sub-Area Public Improvements.

(d) Publicly-owned storm water and drainage management systems, including: approximately 18,031 lineal feet of storm sewer pipe; approximately 75 storm sewer manholes; approximately 151 storm water catch basins; approximately 26 Type 2 drywells; drainage swales (including landscaping for such swales); and storm water treatment vaults, with an estimated cost of \$4,416,205; provided, infrastructure and appurtenances required to address on-site storm water requirements shall not be considered Kendall Yards Sub-Area Public Improvements.

(e) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (*e.g.*, benches, trash receptacles, bicycle racks and planter pots), with an estimated cost of \$8,050,000. The parties shall address responsibility for maintenance of street furnishings installed along the sidewalk (other than benches and bicycle racks) in a separate agreement to the extent such street furnishings are to be Kendall Yards Sub-Area Public Improvements.

(f) Streetlights, with an estimated cost of \$1,970,000.

(g) Publicly-owned park facilities and recreational area improvements, including: an extension of the Centennial Trail extending approximately 7,300 lineal feet (with an approximately 20-foot wide drivable surface and an additional 10' of landscape planting and/or re-vegetation); approximately eight (8) public riverfront plazas/parks (each of which is projected to be approximately 6,000 square feet in area); and improvements to the trail and landscaping in the existing Veterans Park at the intertie with the Centennial Trail, with an estimated cost of \$5,263,162.

(h) Site preparation for the aforementioned improvements, including demolition, excavating, grading, installing temporary erosion control improvements, with estimated costs of \$7,200,000.

(i) Designing, engineering, planning and permitting for the aforementioned improvements, with estimated costs of \$4,650,000; provided, the Public Improvement Costs relating to designing, engineering, planning, and permitting the Kendall Yards Sub-Area Public Improvements shall comply with Public Works Laws relating to the design, engineering, and permitting of the same and shall be limited to ten percent (10%) of the total Public Improvement Cost of the Kendall Yards Sub-Area Public Improvements, and any design, engineering, planning and permitting costs in excess of said ten percent (10%) limitation shall not be considered "Public Improvement Costs" for purposes of this Reimbursement Agreement.

~~(j) ((Publicly owned streetscape improvements related to West Central Neighborhood, Comprehensive Plan West Broadway Neighborhood Center, Broadway, Ash to Chestnut, 4 blocks, including decorative concrete or paver sidewalks, trees, period lighting, permanent street furniture, bike and pedestrian infrastructure, underground utilities, median construction and infrastructure for future streetcar route, with an estimated cost of \$2,500,000.))~~The Neighborhood Public Improvements shall be those as defined by RCW 39.89.020(4). In the event Chapter 39.89 RCW is amended to include affordable housing as a public improvement that may be financed with tax allocation revenues, the Neighborhood Public Improvements may also include affordable housing.

~~((k) Publicly owned intersection improvements related to Emerson Garfield and West Central Neighborhoods, Comprehensive Plan Monroe Corridor, Cora to Boone, 6-10, including NW Blvd, Boone, and others to be identified in N Monroe community design process (gateway locations): bumpouts, pavement treatment, trees, lighting, underground utilities as needed and feasible, pedestrian amenities, with an estimated cost of \$3,000,000.~~

~~(l) — Publicly owned traffic calming improvements on Elm, Cannon, and Chestnut 3 blocks, Bridge to Dean, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements, with an estimated cost of \$900,000.~~

~~(m) — Publicly owned streetscape intersection enhancements related to West Central Neighborhood, Comprehensive Plan Maxwell & Elm Employment Center; Chestnut to Maple, 5 blocks, on Sinto including sidewalks, bumpouts, trees and crosswalk treatments, with an estimated cost of \$1,500,000.~~

~~(n) — Demolition and reconstruction related to Riverside Neighborhood; Post Street Bridge for pedestrians, with an estimated \$750,000 towards total cost.~~

~~(o) — Publicly owned streetscape improvements related to Riverside Neighborhood, Comprehensive Plan Regional Center; Bridge Street, Monroe to Post 1 block, including enhancements, lighting and street furniture, with an estimated cost of \$300,000.~~

~~(p) — Publicly owned infrastructure improvements related to Riverside Neighborhood; Potential Bridge Street public market incubator site, but limited to upgrade of water and sewer to current commercial and industrial standards, and underground utilities where appropriate, with an estimated \$500,000 towards total cost.~~

~~(q) — Publicly owned infrastructure improvements related to West Central Neighborhood, Maxwell & Elm Employment Center; incubator site(s), but limited to upgrade of water and sewer to current commercial and industrial standards, with an estimated \$750,000 towards total cost.~~

~~(r) — Publicly owned Streetscape enhancements for West Central Neighborhood; Broadway to Nora, Maple and Ash, 4-6 blocks, including sidewalks, bumpouts, trees, crosswalk treatment, and benches/bus shelters, with an estimated cost of \$1,800,000.~~

~~(s) — Publicly owned north bank trail enhancements for Riverside Neighborhood; Centennial Trail at Monroe Street Bridge, with an estimated cost of \$175,000.~~

~~(t) — Publicly owned streetscape improvements for Riverside Neighborhood; Monroe to Central, Broadway to Mallon 4-6 blocks, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements and underground utilities where appropriate, with estimated cost of \$1,800,000.~~

~~(u) — Publicly owned streetscape and infrastructure improvements related to Riverside Neighborhood; Howard to Washington, N. River Bank to Dean, 2 blocks, including upgrade of water and sewer to current commercial and industrial standards, underground utilities where needed and as feasible, with an estimated \$850,000 towards total cost.~~

~~(v) Public access to West Central Neighborhood, Lower Crossing, including parking, bike, pedestrian, and trail enhancements, with an estimated cost of \$750,000.~~

~~(x) Crossover reconfiguration analysis and engineering Riverside, Lincoln Monroe, with an estimated cost of \$175,000.))~~

(k) Publicly-owned parking facilities, including surface parking lots, street parking improvements, covered parking facilities and/or multiple-floor parking facilities, adjacent to the campus of the County Courthouse, with an estimated cost of \$5,000,000.

(l) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (e.g., benches, trash receptacles, bicycle racks and planter pots), adjacent to the campus of the County Courthouse, with an estimated cost of \$200,000.

(m) Street lights, adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

(n) Publicly-owned park/recreational facilities, including pocket parks and public plazas (each of which is projected to be approximately 6,000 square feet in area), adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

The public improvements described in paragraphs (a) through (i) are hereinafter referred to as the “Kendall Yards Sub-Area Public Improvements,” the public improvements described in paragraphs (j) ~~((through (w)))~~ are hereinafter referred to as the “Neighborhood Public Improvements” and the public improvements described in paragraphs ~~(x)~~(k) through ~~(aa)~~(n) are hereinafter referred to as the “County Public Improvements.” All components and portions of the Kendall Yards Sub-Area Public Improvements shall be constructed and installed in accordance with the maps, plans, and specifications to be approved by the City.

Section 3. Amendment to Section 5 of Ordinance No. C34032. Section 5 of Ordinance No. C34032 is hereby amended to provide as follows:

“Section 5. Apportionment Period. The apportionment of Regular Property Taxes shall begin as of January 1, 2008, the calendar year following the enactment of this Ordinance. The City estimates that the apportionment of Regular Property Taxes pursuant to RCW 39.89.070 shall continue until the earlier of: (1) such time as the Incremental Revenues are no longer necessary or obligated to pay Public Improvement Costs; or (2) December 31, ~~((2032))~~ 2047. Provided, all Pledged Tax Allocation Revenues (as that term is defined in the Amended and Restated Reimbursement Agreement by and between the City of Spokane and North Gorge Residential Partners, LLC, dated August 22, 2011) collected from the Kendall Yards Sub-Area from January 1, 2033 up to and including December 31, 2047 shall be applied to pay for Neighborhood Public Improvements within the West Central Neighborhood, being that area of the Increment Area south of Maxwell Street, west of Monroe Street, excluding any land located in the Kendall Yards Sub-Area.

Section 4. Amendment to Section 9. of Ordinance No. C34032. Section 9 of Ordinance No. C34032 is hereby amended to provide as follows:

Section 9. ~~((Ratification of Prior Approval of))~~ Amendment to Intergovernmental Agreement. ~~((Under the County Resolution, the County has executed and delivered the Intergovernmental Agreement and agreed to the proposed Increment Area and the use of community revitalization financing by the City to finance the Public Improvements and encourage private development within the Increment Area as contemplated under RCW 39.89.030(4) and 39.89.050(1). The Council hereby ratifies and confirms its prior authorization and approval of the Intergovernmental Agreement pursuant to OPR 07-399 approved and executed on May 14, 2007 and the execution and delivery the Intergovernmental Agreement, as approved and in the form attached hereto as **Exhibit C**, by the Authorized Representative.))~~ The Council hereby authorizes and approves the First Amendment of Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection With the West Quadrant Increment Area in substantially the form presented to the Council in connection with the consideration of this Ordinance, and attached hereto as **Exhibit A**, with any nonmaterial changes thereto that one or more of the Authorized Representatives shall deem appropriate and in the interest of the City. The Council hereby further authorizes and directs any Authorized Representative to finalize, execute and deliver such Amended Intergovernmental Agreement.

Section 5. Referendum. This Ordinance is subject to the Referendum procedure specified in Section 83 of the City Charter.

Section 6. Ratification. All actions not inconsistent with the provisions of this Ordinance heretofore taken by the Council and the Council's employees in connection with the improvements to the Increment Area are hereby and in all respects ratified, approved and confirmed.

PASSED and ENACTED by the City of Spokane, Spokane County, Washington, on January __, 2020.

CITY OF SPOKANE
Spokane County, Washington.

Ben Stuckart, Council President

David Condon, Mayor

ATTEST:

Terri L. Pfister, City Clerk

(S E A L)

Effective Date

Approved As To Form:

Assistant City Attorney

CERTIFICATION

Terri L. Pfister, the City Clerk of the City of Spokane, Spokane County, Washington, hereby certifies that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly passed and adopted at a regular meeting of the City Council of the City of Spokane, duly and regularly held at the regular meeting place thereof on January __, 2020, of which meeting all members of such Council had due notice and at which a majority thereof was present; and that at such meeting such Ordinance was adopted by the following vote:

AYES, and in favor thereof, Council members:

NAYS, Council members:

ABSENT, Council members:

ABSTAIN, Council members:

I further certify that I have carefully compared the same with the original Ordinance on file and of record in my office; that such Ordinance is a full, true, and correct copy of the original Ordinance adopted at such meeting; and that such Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of such City on January __, 2020.

CITY OF SPOKANE, WASHINGTON

Terri L. Pfister, City Clerk

(S E A L)

Exhibit "A"

Copy of Ordinance C34032

**FIRST AMENDMENT OF INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF SPOKANE, WASHINGTON AND SPOKANE COUNTY, WASHINGTON
AUTHORIZING COMMUNITY REVITALIZATION FINANCING IN CONNECTION
WITH THE WEST QUADRANT INCREMENT AREA**

This First Amendment (the "Amendment") is made and entered into as of the dates set forth below, by the CITY OF SPOKANE, WASHINGTON (the "City"), and SPOKANE COUNTY, WASHINGTON (the "County"), hereinafter referred to as the "Parties."

RECITALS

WHEREAS, the Parties previously entered into an agreement titled "Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection with the West Quadrant Increment Area," a copy of which is attached hereto as Exhibit "A" (the "Agreement");

WHEREAS, the Parties wish to amend the Agreement by extending its duration through December 31, 2047;

NOW, THEREFORE, in consideration of the mutual promises contained herein, and the benefits to be realized by each party and by the general public from the creation of the Increment Area, the City and the County agree as follows:

1. Agreement. The Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection with the West Quadrant Increment Area, a copy of which is attached as Exhibit "A", and any previous amendment and/or extensions/renewals, thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein (the "Agreement").

2. Extension. Section 4 of the Agreement is amended as follows:

4. Chapter 39.34 RCW Required Provisions.

(a) *Purpose*. See Section 1 above.

(b) *Duration*. This Agreement shall continue until the earlier of: (i) such time as the tax allocation revenues (as defined in RCW 39.89.020(8)) are no longer necessary or obligated to pay the costs of any of the public improvements as set forth in Section 2 of the City Ordinance, as amended by Ordinance _____; or (ii) December 31, ~~((2032))~~2047.

(c) *Organization of Separate Entity and Its Powers*. See Section 3 above. No separate legal entity is necessary in conjunction with this Agreement.

(d) *Responsibilities of the Parties*. See provisions above.

(e) *Agreement to be Filed.* The City shall file this Agreement with its City Clerk, The County shall file this Agreement with the County Auditor or alternatively list the Agreement on the County's website.

(f) *Financing.* See Section 2 above.

(g) *Termination.* This Agreement may not be terminated any earlier than as provided in paragraph (b) above.

(h) *Property Upon Termination.* Title to all property acquired by any party in the performance of this Agreement shall remain with the acquiring party upon termination of this Agreement.

5. Severability. If any provision of this Amendment shall be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provisions of this Amendment, but this Amendment shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

6. Counterpart. The parties may sign this Amendment in one or more counterparts hereto and each counterpart shall be treated as an original.

7. Binding Effect. Both parties have full power and authority to execute and deliver this Amendment and to perform their respective obligations under this Amendment. This Amendment constitutes a valid and binding obligation of the County and the City and is enforceable in accordance with its provisions.

8. Governing Law. This Amendment shall be construed in accordance with and governed by the laws of the State.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed the Agreement and it shall be effective as of the last date of execution below.

Executed this ____ day of January, 2020, by:

CITY OF SPOKANE
Spokane County, Washington

David Condon, Mayor

ATTEST:

Approved as to form:

Terri L. Pfister, City Clerk

Assistant City Attorney

(SEAL)

Executed this ____ day of _____, 20____, by:

SPOKANE COUNTY, WASHINGTON

Mary L. Kuney, Chair

Al French, Vice Chair

Josh Kerns, Commissioner

ATTEST:

Ginna Vasquez, Clerk to the Board of
County Commissioners

(S E A L)

[Signature Page to Intergovernmental Cooperation Agreement]

Exhibit "A"

Copy of Intergovernmental Agreement Between the City of Spokane, Washington and Spokane County, Washington Authorizing Community Revitalization Financing in Connection With the West Quadrant Increment Area

ORDINANCE NO. C 3 4 0 3 2

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON, DESIGNATING AN INCREMENT AREA WITHIN ITS BOUNDARIES; DESCRIBING THE PUBLIC IMPROVEMENTS PROPOSED TO BE FINANCED IN WHOLE OR IN PART WITH THE USE OF COMMUNITY REVITALIZATION FINANCING; DESCRIBING THE BOUNDARIES OF THE INCREMENT AREA; ESTIMATING THE COST OF PUBLIC IMPROVEMENTS AND THE PORTION TO BE FINANCED USING COMMUNITY REVITALIZATION FINANCING; ESTIMATING THE TIME DURING WHICH REGULAR PROPERTY TAXES ARE TO BE APPORTIONED; PROVIDING THE DATE WHEN APPORTIONMENT OF THE REGULAR PROPERTY TAXES WILL COMMENCE; MAKING FINDINGS CONCERNING THE FINANCING OF PUBLIC IMPROVEMENTS USING COMMUNITY REVITALIZATION FINANCING; AUTHORIZING AND APPROVING A REIMBURSEMENT AGREEMENT AND AN INTERGOVERNMENTAL AGREEMENT; DESIGNATING AN AUTHORIZED REPRESENTATIVE; DECLARING AN URGENCY AND EMERGENCY; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

**CITY OF SPOKANE
Spokane County, Washington**

**INCREMENT AREA NO. 2007-1
(West Quadrant Increment Area)**

THE CITY OF SPOKANE DOES ORDAIN:

WHEREAS, the City of Spokane, Spokane County, Washington, (the "City") is a first class charter City duly incorporated and operating under the laws of the State of Washington and the Charter of the City;

WHEREAS, the City is authorized by Chapter 39.89 RCW (the "Act") to establish an Increment Area within the boundaries of the City and to finance public improvements using community revitalization financing to encourage private development within said Increment Area;

WHEREAS, the City Council (the "Council") desires to form an Increment Area, to be designated as the "West Quadrant Increment Area" (the "Increment Area" as defined below) to encourage private development; and

WHEREAS, the Council finds that the construction of certain public improvements within the Increment Area will encourage private development and increase the fair market value of real property within the Increment Area; and

WHEREAS, the proposed plan for public improvements must be consistent with the county-wide planning policy adopted by Spokane County, Washington (the "County") and with the City's Comprehensive Plan and development regulations adopted under the Growth Management Act; and

WHEREAS, the Act requires that the City enter into written agreements with taxing districts within the Increment Area approving the use of community revitalization financing; and

WHEREAS, pursuant to RCW 39.89.030(4) and RCW 39.89.050(1), the County adopted Resolution No. 2007-0393 on May 8, 2007 (the "County Resolution"), authorizing the execution and delivery of an Intergovernmental Agreement for the West Quadrant Increment Area (the "Intergovernmental Agreement") approving of and agreeing to the use of community revitalization financing, and has now executed and delivered the Intergovernmental Agreement; and

WHEREAS, the Act requires that the City hold a public hearing on the proposed financing of the public improvements within an Increment Area in whole or in part using community revitalization financing; and

WHEREAS, pursuant to Resolution No. 2007-0044 adopted by the City Council on April 30, 2007, the City caused to be published on May 4, 2007, such date being at least ten (10) days before the public hearing, notice in The Spokesman Review, a legal newspaper of general circulation within the proposed Increment Area, setting forth the date, time, and place of the Council's public hearing on this Ordinance, and further caused such notice to be posted in at least six (6) conspicuous public places located in the proposed Increment Area; and

WHEREAS, pursuant to RCW 39.89.030 the City may finance the public improvements within the Increment Area; and

WHEREAS, the City anticipates constructing certain public improvement within the Increment Area and using community revitalization financing to finance a portion of the costs of such public improvements (the "Neighborhood Public Improvements"); and

WHEREAS, pursuant to the Intergovernmental Agreement, the City and the County have agreed that certain public improvements within the Increment Area will be constructed by or at the direction of the County (the "County Public Improvements") and that a portion of the costs of the County Public Improvements will be financed through the use of community revitalization financing; and

WHEREAS, pursuant to the Intergovernmental Agreement, the City and the County have agreed that Incremental Revenues (as defined below) generated within the Increment Area but outside of the Kendall Yards Sub-Area shall be used to finance a portion of the costs of the Neighborhood Public Improvements and the County Public Improvements; and

WHEREAS, the City has received a proposal from Kendall Yards Development, Inc. (the "Developer") requesting that the City finance a portion of the costs of certain public improvements through community revitalization financing in connection with development by

the Developer of residential and commercial improvements on property located within that portion of the Increment Area that is within the Kendall Yards Sub-Area (as defined below); and

WHEREAS, the Developer and the City have negotiated the terms of a Reimbursement Agreement (the "Reimbursement Agreement") between the Developer and the City, under which the Developer agrees to, among other things, finance and construct certain public improvements that are located within the Kendall Yards Sub-Area of the Increment Area (the "Kendall Yards PUD Public Improvements") and the City agrees to reimburse the Developer for all or a portion of the eligible costs of such public improvements with Incremental Revenues (as defined below) generated within the Kendall Yards Sub-Area located within the Increment Area, subject to receipt of such revenues and the satisfaction of the terms and conditions set forth in the Reimbursement Agreement; and

WHEREAS, the Council desires to authorize and approve the Reimbursement Agreement, the Intergovernmental Agreement (collectively, the "Agreements") and to designate the Mayor, the Chief Operating Officer, the Chief Financial Officer or their designee as the authorized representative (the "Authorized Representative") to execute such Agreements;

NOW, THEREFORE, IT IS FURTHER ORDAINED as follows:

Section 1. Definitions. In addition to those terms defined in the Recitals above, as used in this Ordinance, the following terms have the meanings provided in this section.

"Increment Area" shall mean the Increment Area as that term is defined by RCW 39.89.020(9) and shall refer to the West Quadrant Increment Area established by this Ordinance, a description of which is attached as Schedule 1 to Exhibit A hereto.

"Incremental Revenues" shall mean those Tax Allocation Revenues as that term is defined by RCW 39.89.020(8) that are received by the City and available to finance the Public Improvements.

"Kendall Yards Sub-Area" shall mean that area within the Increment Area that is generally bounded by Monroe Street on the east, Ide Avenue and Ohio Avenue on the south, Summit Boulevard on the west and Bridge Avenue and College Avenue on the north, a description of which is attached as Schedule 2 to Exhibit A hereto.

"Public Improvement Costs" has the meaning specified for such phrase in RCW 39.89.020(5).

"Public Improvements" has the meaning specific for such phrase in RCW 39.89.020(4) and shall include those public improvements described in Section 2 of this Ordinance as the Kendall Yards Sub-Area Public Improvements, the Neighborhood Public Improvements and the County Public Improvements.

Capitalized terms used in this Ordinance that are not defined above shall have the meaning given to such terms in Chapter 39.89 RCW.

Section 2. Description of Plan for Public Improvements. It is the intention of the City that certain public improvements, including but not limited to those Public Improvements which are generally described below, be constructed and installed within the Increment Area:

(a) Publicly-owned street and road improvements, including: approximately 40,000 linear feet of streets and curbs; striping and signage; utility sleeves or similar facilities that will serve publicly owned utilities; approximately 14,000 linear feet of street landscaping (including trees and irrigation improvements); traffic signals; and improvements to Maple Street and Monroe Street, with an estimated cost of \$5,188,489.

(b) Publicly-owned water system improvements, including approximately: 15,060 lineal feet of water mains (including valves and fittings); 158 domestic water service lines (to the extent such lines are in the public domain); 158 building fire service lines (to the extent such lines are in the public domain); and 43 fire hydrants, with an estimated cost of \$2,382,300; provided fixtures and appurtenances required to connect private development to the public water system shall not be considered Kendall Yards Sub-Area Public Improvements.

(c) Publicly-owned sewer system improvements, including approximately: 1,800 lineal feet of sanitary sewer interceptors (including pipe in diameters of up to 72 inches); 15,060 lineal feet of sanitary sewer mains; 158 sanitary sewer service lines (to the extent such lines are in the public domain); and 60 sanitary sewer manholes, with an estimated cost of \$3,602,600; provided fixtures and appurtenances required to connect private development to the publicly owned sewer system shall not be considered Kendall Yards Sub-Area Public Improvements.

(d) Publicly-owned storm water and drainage management systems, including: approximately 18,031 lineal feet of storm sewer pipe; approximately 75 storm sewer manholes; approximately 151 storm water catch basins; approximately 26 Type 2 drywells; drainage swales (including landscaping for such swales); and storm water treatment vaults, with an estimated cost of \$4,416,205; provided, infrastructure and appurtenances required to address on-site storm water requirements shall not be considered Kendall Yards Sub-Area Public Improvements.

(e) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (*e.g.*, benches, trash receptacles, bicycle racks and planter pots), with an estimated cost of \$8,050,000. The parties shall address responsibility for maintenance of street furnishings installed along the sidewalk (other than benches and bicycle racks) in a separate agreement to the extent such street furnishings are to be Kendall Yards Sub-Area Public Improvements.

(f) Streetlights, with an estimated cost of \$1,970,000.

(g) Publicly-owned park facilities and recreational area improvements, including: an extension of the Centennial Trail extending approximately 7,300 lineal feet (with an approximately 20-foot wide drivable surface and an additional 10' of landscape planting and/or re-vegetation); approximately eight (8) public riverfront plazas/parks

(each of which is projected to be approximately 6,000 square feet in area); and improvements to the trail and landscaping in the existing Veterans Park at the intertie with the Centennial Trail, with an estimated cost of \$5,263,162.

(h) Site preparation for the aforementioned improvements, including demolition, excavating, grading, installing temporary erosion control improvements, with estimated costs of \$7,200,000.

(i) Designing, engineering, planning and permitting for the aforementioned improvements, with estimated costs of \$4,650,000; provided, the Public Improvement Costs relating to designing, engineering, planning, and permitting the Kendall Yards Sub-Area Public Improvements shall comply with Public Works Laws relating to the design, engineering, and permitting of the same and shall be limited to ten percent (10%) of the total Public Improvement Cost of the Kendall Yards Sub-Area Public Improvements, and any design, engineering, planning and permitting costs in excess of said ten percent (10%) limitation shall not be considered "Public Improvement Costs" for purposes of this Reimbursement Agreement.

(j) Publicly-owned streetscape improvements related to West Central Neighborhood, Comprehensive Plan West Broadway Neighborhood Center; Broadway, Ash to Chestnut, 4 blocks, including decorative concrete or paver sidewalks, trees, period lighting, permanent street furniture, bike and pedestrian infrastructure, underground utilities, median construction and infrastructure for future streetcar route, with an estimated cost of \$2,500,000.

(k) Publicly-owned intersection improvements related to Emerson Garfield and West Central Neighborhoods, Comprehensive Plan Monroe Corridor; Cora to Boone, 6-10, including NW Blvd, Boone, and others to be identified in N Monroe community design process (gateway locations): bumpouts, pavement treatment, trees, lighting, underground utilities as needed and feasible, pedestrian amenities, with an estimated cost of \$3,000,000.

(l) Publicly-owned traffic calming improvements on Elm, Cannon, and Chestnut 3 blocks, Bridge to Dean, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements, with an estimated cost of \$900,000.

(m) Publicly-owned streetscape intersection enhancements related to West Central Neighborhood, Comprehensive Plan Maxwell & Elm Employment Center; Chestnut to Maple, 5 blocks, on Sinto including sidewalks, bumpouts, trees and crosswalk treatments, with an estimated cost of \$1,500,000.

(n) Demolition and reconstruction related to Riverside Neighborhood; Post Street Bridge for pedestrians, with an estimated \$750,000 towards total cost.

(o) Publicly-owned streetscape improvements related to Riverside Neighborhood, Comprehensive Plan Regional Center; Bridge Street, Monroe to Post 1

block, including enhancements, lighting and street furniture, with an estimated cost of \$300,000.

(p) Publicly-owned infrastructure improvements related to Riverside Neighborhood; Potential Bridge Street public market incubator site, but limited to upgrade of water and sewer to current commercial and industrial standards, and underground utilities where appropriate, with an estimated \$500,000 towards total cost.

(q) Publicly-owned infrastructure improvements related to West Central Neighborhood, Maxwell & Elm Employment Center; incubator site(s), but limited to upgrade of water and sewer to current commercial and industrial standards, with an estimated \$750,000 towards total cost.

(r) Publicly-owned Streetscape enhancements for West Central Neighborhood; Broadway to Nora, Maple and Ash, 4-6 blocks, including sidewalks, bumpouts, trees, crosswalk treatment, and benches/bus shelters, with an estimated cost of \$1,800,000.

(s) Publicly-owned north bank trail enhancements for Riverside Neighborhood; Centennial Trail at Monroe Street Bridge, with an estimated cost of \$175,000.

(t) Publicly-owned streetscape improvements for Riverside Neighborhood; Monroe to Central, Broadway to Mallon 4-6 blocks, including trees, crosswalk treatments, street furniture, lighting, bike and pedestrian infrastructure and improvements and underground utilities where appropriate, with estimated cost of \$1,800,000.

(u) Publicly-owned streetscape and infrastructure improvements related to Riverside Neighborhood; Howard to Washington, N. River Bank to Dean, 2 blocks, including upgrade of water and sewer to current commercial and industrial standards, underground utilities where needed and as feasible, with an estimated \$850,000 towards total cost.

(v) Public access to West Central Neighborhood, Lower Crossing, including parking, bike, pedestrian, and trail enhancements, with an estimated cost of \$750,000.

(w) Crossover reconfiguration analysis and engineering Riverside, Lincoln-Monroe, with an estimated cost of \$175,000.

(x) Publicly-owned parking facilities, including surface parking lots, street parking improvements, covered parking facilities and/or multiple-floor parking facilities, adjacent to the campus of the County Courthouse, with an estimated cost of \$5,000,000.

(y) Publicly-owned sidewalks, including street furnishings installed along the sidewalk (e.g., benches, trash receptacles, bicycle racks and planter pots), adjacent to the campus of the County Courthouse, with an estimated cost of \$200,000.

(z) Street lights, adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

(aa) Publicly-owned park/recreational facilities, including pocket parks and public plazas (each of which is projected to be approximately 6,000 square feet in area), adjacent to the campus of the County Courthouse, with an estimated cost of \$100,000.

The public improvements described in paragraphs (a) through (i) are hereinafter referred to as the "Kendall Yards Sub-Area Public Improvements," the public improvements described in paragraphs (j) through (w) are hereinafter referred to as the "Neighborhood Public Improvements" and the public improvements described in paragraphs (x) through (aa) are hereinafter referred to as the "County Public Improvements." All components and portions of the Kendall Yards Sub-Area Public Improvements shall be constructed and installed in accordance with the maps, plans, and specifications to be approved by the City.

Section 3. Estimated Cost. Public Improvement Costs shall include, without limitation but only to the extent permitted by the Act, the cost of design, planning, acquisition, site preparation, construction, improvement and installation of the Public Improvements, together with the following ancillary costs:

- (a) the costs of relocating utilities as a result of the Public Improvements;
- (b) the costs of financing, including interest during construction, legal and other professional services, taxes, insurance, principal and interest costs on indebtedness incurred by the Developer and the County to finance public improvements, and any costs incurred by the City in connection with obligations incurred by the City in financing the Public Improvements;
- (c) the costs incurred by the Spokane County Assessor (the "Assessor") to:
 - (i) revalue real property for the purpose of determining the tax allocation base value that is in excess of costs incurred by the Assessor in accordance with the revaluation plan under Chapter 84.41 RCW; and
 - (ii) the costs of apportioning the taxes and complying with applicable law; and
- (d) other administrative costs reasonably necessary and related to these costs, including such costs incurred prior to the adoption of this Ordinance.

The total estimated Public Improvement Costs for the Public Improvements that may be financed using community revitalization financing is hereby declared to be approximately Sixty Three Million Eight Hundred Seventy Two Thousand Seven Hundred and Fifty Six and No/100 Dollars (\$63,872,756.00). The City estimates that only a portion of such estimated Public Improvement Costs will be financed using community revitalization financing. The amount of such Public Improvement Costs financed using community revitalization financing shall be limited to and subject to the terms and conditions of the Reimbursement Agreement and the Intergovernmental Agreement.

Section 4. Increment Area Boundaries. The boundaries of the Increment Area are set forth in Schedule 1 to **Exhibit A**, attached hereto and incorporated herein by reference.

Section 5. Apportionment Period. The apportionment of Regular Property Taxes shall begin as of January 1, 2008, the calendar year following the enactment of this Ordinance. The City estimates that the apportionment of Regular Property Taxes pursuant to RCW 39.89.070 shall continue until the earlier of: (1) such time as the Incremental Revenues are no longer necessary or obligated to pay Public Improvement Costs; or (2) December 31, 2032.

Section 6. Tax Allocation Revenue. The City shall use Incremental Revenues to pay Public Improvement Costs, including but not limited to amounts used to pay for Neighborhood Public Improvements and amounts payable under the Reimbursement Agreement and the Intergovernmental Agreement. Provided, the potential use of Community Development Block Grant funds as referenced in the City's notices pursuant to the Act shall be limited to Neighborhood Public Improvements, as defined herein, and no such funds shall be available or used to pay for Kendall Yards Sub-Area Public Improvements or County Public Improvements.

Section 7. Community Revitalization Financing. Pursuant to RCW 39.89.030, the City may finance the Public Improvement Costs in whole or in part using Incremental Revenues. Incremental Revenues will be applied to Public Improvement Costs only in accordance with this Ordinance and pursuant to the terms and conditions set forth in the Reimbursement Agreement and the Intergovernmental Agreement.

Section 7.1. Advisory Board. The Council hereby directs the Authorized Representatives to prepare a proposal for consideration by Council to establish an advisory board to provide oversight and direction with respect to the financing, construction and priority of Neighborhood Public Improvements. Such proposal shall be provided to Council for consideration within thirty (30) days of the effective date of this Ordinance.

Section 8. Reimbursement Agreement. The Council hereby authorizes and approves the Reimbursement Agreement in substantially the form presented to the Council in connection with its consideration of this Ordinance, and attached hereto as **Exhibit B**, with any nonmaterial changes thereto that one or more of the Authorized Representatives shall deem appropriate and in the interest of the City. The Council hereby further authorizes and directs the Authorized Representative to finalize, execute and deliver said Reimbursement Agreement.

Section 9. Ratification of Prior Approval of Intergovernmental Agreement. Under the County Resolution, the County has executed and delivered the Intergovernmental Agreement and agreed to the proposed Increment Area and the use of community revitalization financing by the City to finance the Public Improvements and encourage private development within the Increment Area as contemplated under RCW 39.89.030(4) and 39.89.050(1). The Council hereby ratifies and confirms its prior authorization and approval of the Intergovernmental Agreement pursuant to OPR 07-399 approved and executed on May 14, 2007 and the execution and delivery the Intergovernmental Agreement, as approved and in the form attached hereto as **Exhibit C**, by the Authorized Representative.

Section 10. Findings. The Council hereby makes the following findings:

(a) That the Public Improvements are expected to encourage private development within the Increment Area and to increase the fair market value of real property within the Increment Area.

(b) That the private development that is anticipated to occur within the Increment Area as a result of the Public Improvements will be consistent with the countywide planning policy adopted by the County under RCW 36.70A.210 and the City's Comprehensive Plan and the development regulations adopted under Chapter 36.70A RCW.

(c) That the expenditures for the Public Improvements represent necessary and legitimate expenses of the City for public improvements and public improvement costs.

(d) That the taxing districts, in the aggregate, that levy at least seventy-five percent of the regular property tax within which the Increment Area is located have approved of and agreed to the use of community revitalization financing for the Public Improvements, as contemplated by RCW 39.89.030(4) and 39.89.050(1).

(e) That the Increment Area does not include any fire protection districts or any portions thereof.

(f) That this Ordinance satisfies all conditions of RCW 39.89.030.

Section 11. Referendum. This Ordinance is subject to the Referendum procedure specified in Section 83 of the Charter of the City.

Section 12. Effective Date. The Council hereby finds and determines that the creation of the Increment Area at this time will benefit the City due to the current state of public and private improvements within the proposed Increment Area boundaries. In making such finding and determination, the Council has given consideration to the purposes of the Act and the potential for economic development as a result of the formation of the Increment Area. In order to maximize future economic development within the Increment Area and the Incremental Revenues generated within the Increment Area to finance the Public Improvements it is essential to proceed immediately with the formation of the Increment Area and to enter into the Reimbursement Agreement and the Intergovernmental Agreement in connection therewith. Based upon said facts, an emergency and urgency is declared and found to exist as necessary for the immediate support of City government and its existing public institutions. Based upon said emergency and urgency, this Ordinance shall be effective immediately upon its passage.

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PASSED and ENACTED by the City of Spokane, Spokane County, Washington, on May 14, 2007.



CITY OF SPOKANE
Spokane County, Washington.

Joe Shogan
Joe Shogan, Council President

Dennis Hession 5/14/07
Dennis Hession, Mayor

RECEIVED
05.21.07
CITY CLERK'S OFFICE
SPOKANE, WA

ATTEST:

Terri L. Pfister
Terri L. Pfister
City Clerk

05.14.07
EFFECTIVE DATE

Approved As To Form:

James Richman
James Richman, Assistant City Attorney

CERTIFICATION

Terri L. Pfister, the Clerk of the City of Spokane, Spokane County, Washington, hereby certifies that the foregoing Ordinance is a full, true, and correct copy of an Ordinance duly passed and adopted at a regular meeting of the City Council of the City of Spokane, duly and regularly held at the regular meeting place thereof on May 14, 2007 of which meeting all members of said Council had due notice and at which a majority thereof was present; and that at said meeting said Ordinance was adopted by the following vote:

AYES, and in favor thereof, Council members: 6

(Council President Shogan, Council Members Crow, French, McLaughlin, Stark and Verner)

NAYS, Council members: 1

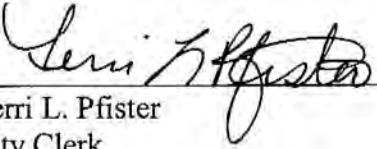
(Council Member Apple voting "NO")

ABSENT, Council members: 0

ABSTAIN, Council members: 0

I further certify that I have carefully compared the same with the original Ordinance on file and of record in my office; that said Ordinance is a full, true, and correct copy of the original Ordinance adopted at said meeting; and that said Ordinance has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said City on May 29, 2007.



Terri L. Pfister
City Clerk



HOUSE BILL 2497

State of Washington

66th Legislature

2020 Regular Session

By Representatives Ormsby, Leavitt, Doglio, Ramel, Tharinger,
Goodman, Riccelli, and Santos

Read first time 01/15/20. Referred to Committee on Finance.

1 AN ACT Relating to adding development of permanently affordable
2 housing to the allowable uses of community revitalization financing,
3 the local infrastructure financing tool, and local revitalization
4 financing; and amending RCW 39.89.020, 39.102.020, and 39.104.020.

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

6 **Sec. 1.** RCW 39.89.020 and 2001 c 212 s 2 are each amended to
7 read as follows:

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

10 (1) "Assessed value of real property" means the valuation of real
11 property as placed on the last completed assessment roll.

12 (2) "Local government" means any city, town, county, port
13 district, or any combination thereof.

14 (3) "Ordinance" means any appropriate method of taking
15 legislative action by a local government.

16 (4) "Public improvements" means:

17 (a) Infrastructure improvements within the increment area that
18 include:

19 (i) Street and road construction and maintenance;

20 (ii) Water and sewer system construction and improvements;

21 (iii) Sidewalks and streetlights;

(iv) Parking, terminal, and dock facilities;

(v) Park and ride facilities of a transit authority;

(vi) Park facilities and recreational areas; and

(vii) Stormwater and drainage management systems; and

(b) Expenditures for any of the following purposes:

(i) Providing environmental analysis, professional management, planning, and promotion within the increment area, including the management and promotion of retail trade activities in the increment area;

(ii) Providing maintenance and security for common or public areas in the increment area; or

(iii) Historic preservation activities authorized under RCW 35.21.395.

(5) "Public improvement costs" means the costs of: (a) Design, planning, acquisition, site preparation, construction, reconstruction, rehabilitation, improvement, and installation of public improvements; (b) purchasing, rehabilitating, retrofitting for energy efficiency, and constructing housing for the purpose of creating or preserving permanently affordable housing; (c) relocating, maintaining, and operating property pending construction of public improvements; ~~((+e+))~~ (d) relocating utilities as a result of public improvements; ~~((+d+))~~ (e) financing public improvements, including interest during construction, legal and other professional services, taxes, insurance, principal and interest costs on general indebtedness issued to finance public improvements, and any necessary reserves for general indebtedness; ~~((+e+))~~ (f) assessments incurred in revaluing real property for the purpose of determining the tax allocation base value that are in excess of costs incurred by the assessor in accordance with the revaluation plan under chapter 84.41 RCW, and the costs of apportioning the taxes and complying with this chapter and other applicable law; and ~~((+f+))~~ (g) administrative expenses and feasibility studies reasonably necessary and related to these costs, including related costs that may have been incurred before adoption of the ordinance authorizing the public improvements and the use of community revitalization financing to fund the costs of the public improvements.

(6) "Regular property taxes" means regular property taxes as defined in RCW 84.04.140, except: (a) Regular property taxes levied by port districts or public utility districts specifically for the purpose of making required payments of principal and interest on

1 general indebtedness; and (b) regular property taxes levied by the
2 state for the support of the common schools under RCW 84.52.065.
3 Regular property taxes do not include excess property tax levies that
4 are exempt from the aggregate limits for junior and senior taxing
5 districts as provided in RCW 84.52.043.

6 (7) "Tax allocation base value" means the true and fair value of
7 real property located within an increment area for taxes imposed in
8 the year in which the increment area is created, plus twenty-five
9 percent of any increase in the true and fair value of real property
10 located within an increment area that is placed on the assessment
11 rolls after the increment area is created.

12 (8) "Tax allocation revenues" means those tax revenues derived
13 from the imposition of regular property taxes on the increment value
14 and distributed to finance public improvements.

15 (9) "Increment area" means the geographic area from which taxes
16 are to be appropriated to finance public improvements authorized
17 under this chapter.

18 (10) "Increment value" means seventy-five percent of any increase
19 in the true and fair value of real property in an increment area that
20 is placed on the tax rolls after the increment area is created.

21 (11) "Taxing districts" means a governmental entity that levies
22 or has levied for it regular property taxes upon real property
23 located within a proposed or approved increment area.

24 (12) "Value of taxable property" means the value of the taxable
25 property as defined in RCW 39.36.015.

26 (13) "Permanently affordable housing" means housing, regardless
27 of ownership, for which there is a legally binding, recorded document
28 in effect that limits the price at which the owner may sell. These
29 documents include, but are not limited to, affordability covenants,
30 deed restrictions, and community land trust leases. Resale
31 restrictions exercised by providers of permanently affordable housing
32 can include, but are not limited to:

33 (a) Continuous ownership of land by a public entity or nonprofit
34 housing provider with a lease allowing ownership of the structure by
35 an income-eligible household;

36 (b) A nonpossessory interest or right in real property, such as a
37 deed restriction, restrictive covenant, resale restriction or other
38 contractual agreement, that ensures affordability.

1 **Sec. 2.** RCW 39.102.020 and 2018 c 178 s 1 are each amended to
2 read as follows:

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

5 (1) "Annual state contribution limit" means seven million five
6 hundred thousand dollars statewide per fiscal year.

7 (2) "Assessed value" means the valuation of taxable real property
8 as placed on the last completed assessment roll.

9 (3) "Board" means the community economic revitalization board
10 under chapter 43.160 RCW.

11 (4) "Dedicated" means pledged, set aside, allocated, received,
12 budgeted, or otherwise identified.

13 (5) "Demonstration project" means one of the following projects:

14 (a) Bellingham waterfront redevelopment project;

15 (b) Spokane river district project at Liberty Lake; and

16 (c) Vancouver riverwest project.

17 (6) "Department" means the department of revenue.

18 (7) "Fiscal year" means the twelve-month period beginning July
19 1st and ending the following June 30th.

20 (8) "Local excise tax allocation revenue" means an amount of
21 local excise taxes equal to some or all of the sponsoring local
22 government's local excise tax increment, amounts of local excise
23 taxes equal to some or all of any participating local government's
24 excise tax increment as agreed upon in the written agreement under
25 RCW 39.102.080(1), or both, and dedicated to local infrastructure
26 financing.

27 (9) "Local excise tax increment" means an amount equal to the
28 estimated annual increase in local excise taxes in each calendar year
29 following the approval of the revenue development area by the board
30 from taxable activity within the revenue development area, as set
31 forth in the application provided to the board under RCW 39.102.040,
32 and updated in accordance with RCW 39.102.140(1)(f).

33 (10) "Local excise taxes" means local revenues derived from the
34 imposition of sales and use taxes authorized in RCW 82.14.030.

35 (11) "Local government" means any city, town, county, port
36 district, and any federally recognized Indian tribe.

37 (12) "Local infrastructure financing" means the use of revenues
38 received from local excise tax allocation revenues, local property
39 tax allocation revenues, other revenues from local public sources,
40 and revenues received from the local option sales and use tax

1 authorized in RCW 82.14.475, dedicated to pay either the principal
2 and interest on bonds authorized under RCW 39.102.150 or to pay
3 public improvement costs on a pay-as-you-go basis subject to RCW
4 39.102.195, or both.

5 (13) "Local property tax allocation revenue" means those tax
6 revenues derived from the receipt of regular property taxes levied on
7 the property tax allocation revenue value and used for local
8 infrastructure financing.

9 (14) "Low-income housing" means residential housing for low-
10 income persons or families who lack the means which is necessary to
11 enable them, without financial assistance, to live in decent, safe,
12 and sanitary dwellings, without overcrowding. For the purposes of
13 this subsection, "low income" means income that does not exceed
14 eighty percent of the median family income for the standard
15 metropolitan statistical area in which the revenue development area
16 is located.

17 (15) "Ordinance" means any appropriate method of taking
18 legislative action by a local government.

19 (16) "Participating local government" means a local government
20 having a revenue development area within its geographic boundaries
21 that has entered into a written agreement with a sponsoring local
22 government as provided in RCW 39.102.080 to allow the use of all or
23 some of its local excise tax allocation revenues or other revenues
24 from local public sources dedicated for local infrastructure
25 financing.

26 (17) "Participating taxing district" means a local government
27 having a revenue development area within its geographic boundaries
28 that has entered into a written agreement with a sponsoring local
29 government as provided in RCW 39.102.080 to allow the use of some or
30 all of its local property tax allocation revenues or other revenues
31 from local public sources dedicated for local infrastructure
32 financing.

33 (18) "Property tax allocation revenue base value" means the
34 assessed value of real property located within a revenue development
35 area less the property tax allocation revenue value.

36 (19)(a)(i) "Property tax allocation revenue value" means
37 seventy-five percent of any increase in the assessed value of real
38 property in a revenue development area resulting from:

39 (A) The placement of new construction, improvements to property,
40 or both, on the assessment roll, where the new construction and

1 improvements are initiated after the revenue development area is
2 approved by the board;

3 (B) The cost of new housing construction, conversion, and
4 rehabilitation improvements, when such cost is treated as new
5 construction for purposes of chapter 84.55 RCW as provided in RCW
6 84.14.020, and the new housing construction, conversion, and
7 rehabilitation improvements are initiated after the revenue
8 development area is approved by the board;

9 (C) The cost of rehabilitation of historic property, when such
10 cost is treated as new construction for purposes of chapter 84.55 RCW
11 as provided in RCW 84.26.070, and the rehabilitation is initiated
12 after the revenue development area is approved by the board.

13 (ii) Increases in the assessed value of real property in a
14 revenue development area resulting from (a)(i)(A) through (C) of this
15 subsection are included in the property tax allocation revenue value
16 in the initial year. These same amounts are also included in the
17 property tax allocation revenue value in subsequent years unless the
18 property becomes exempt from property taxation.

19 (b) "Property tax allocation revenue value" includes seventy-five
20 percent of any increase in the assessed value of new construction
21 consisting of an entire building in the years following the initial
22 year, unless the building becomes exempt from property taxation.

23 (c) Except as provided in (b) of this subsection, "property tax
24 allocation revenue value" does not include any increase in the
25 assessed value of real property after the initial year.

26 (d) There is no property tax allocation revenue value if the
27 assessed value of real property in a revenue development area has not
28 increased as a result of any of the reasons specified in (a)(i)(A)
29 through (C) of this subsection.

30 (e) For purposes of this subsection, "initial year" means:

31 (i) For new construction and improvements to property added to
32 the assessment roll, the year during which the new construction and
33 improvements are initially placed on the assessment roll;

34 (ii) For the cost of new housing construction, conversion, and
35 rehabilitation improvements, when such cost is treated as new
36 construction for purposes of chapter 84.55 RCW, the year when such
37 cost is treated as new construction for purposes of levying taxes for
38 collection in the following year; and

39 (iii) For the cost of rehabilitation of historic property, when
40 such cost is treated as new construction for purposes of chapter

84.55 RCW, the year when such cost is treated as new construction for purposes of levying taxes for collection in the following year.

(20) "Public improvement costs" means the cost of: (a) Design, planning, acquisition including land acquisition, site preparation including land clearing, construction, reconstruction, rehabilitation, improvement, and installation of public improvements; (b) demolishing, relocating, maintaining, and operating property pending construction of public improvements; (c) the local government's portion of relocating utilities as a result of public improvements; (d) financing public improvements, including interest during construction, legal and other professional services, taxes, insurance, principal and interest costs on general indebtedness issued to finance public improvements, and any necessary reserves for general indebtedness; (e) assessments incurred in revaluing real property for the purpose of determining the property tax allocation revenue base value that are in excess of costs incurred by the assessor in accordance with the revaluation plan under chapter 84.41 RCW, and the costs of apportioning the taxes and complying with this chapter and other applicable law; (f) administrative expenses and feasibility studies reasonably necessary and related to these costs; and (g) any of the above-described costs that may have been incurred before adoption of the ordinance authorizing the public improvements and the use of local infrastructure financing to fund the costs of the public improvements.

(21) "Public improvements" means:

(a) Infrastructure improvements within the revenue development area that include:

(i) Street, bridge, and road construction and maintenance, including highway interchange construction;

(ii) Water and sewer system construction and improvements, including wastewater reuse facilities;

(iii) Sidewalks, traffic controls, and streetlights;

(iv) Parking, terminal, and dock facilities;

(v) Park and ride facilities of a transit authority;

(vi) Park facilities and recreational areas, including trails; and

(vii) Stormwater and drainage management systems;

(b) Expenditures for facilities and improvements that support affordable housing as defined in RCW 43.63A.510; and

1 (c) Expenditures to purchase, rehabilitate, retrofit for energy
2 efficiency, and construct housing for the purpose of creating or
3 preserving permanently affordable housing.

4 (22) "Real property" has the same meaning as in RCW 84.04.090 and
5 also includes any privately owned improvements located on publicly
6 owned land that are subject to property taxation.

7 (23) "Regular property taxes" means regular property taxes as
8 defined in RCW 84.04.140, except: (a) Regular property taxes levied
9 by public utility districts specifically for the purpose of making
10 required payments of principal and interest on general indebtedness;
11 (b) regular property taxes levied by the state for the support of the
12 common schools under RCW 84.52.065; and (c) regular property taxes
13 authorized by RCW 84.55.050 that are limited to a specific purpose.
14 "Regular property taxes" do not include excess property tax levies
15 that are exempt from the aggregate limits for junior and senior
16 taxing districts as provided in RCW 84.52.043.

17 (24) "Relocating a business" means the closing of a business and
18 the reopening of that business, or the opening of a new business that
19 engages in the same activities as the previous business, in a
20 different location within a one-year period, when an individual or
21 entity has an ownership interest in the business at the time of
22 closure and at the time of opening or reopening. "Relocating a
23 business" does not include the closing and reopening of a business in
24 a new location where the business has been acquired and is under
25 entirely new ownership at the new location, or the closing and
26 reopening of a business in a new location as a result of the exercise
27 of the power of eminent domain.

28 (25) "Revenue development area" means the geographic area adopted
29 by a sponsoring local government and approved by the board, from
30 which local excise and property tax allocation revenues are derived
31 for local infrastructure financing.

32 (26)(a) "Revenues from local public sources" means:

33 (i) Amounts of local excise tax allocation revenues and local
34 property tax allocation revenues, dedicated by sponsoring local
35 governments, participating local governments, and participating
36 taxing districts, for local infrastructure financing; and

37 (ii) Any other local revenues, except as provided in (b) of this
38 subsection, including revenues derived from federal and private
39 sources.

(b) Revenues from local public sources do not include any local funds derived from state grants, state loans, or any other state moneys including any local sales and use taxes credited against the state sales and use taxes imposed under chapter 82.08 or 82.12 RCW.

(27) "Small business" has the same meaning as provided in RCW 19.85.020.

(28) "Sponsoring local government" means a city, town, or county, and for the purpose of this chapter a federally recognized Indian tribe or any combination thereof, that adopts a revenue development area and applies to the board to use local infrastructure financing.

(29) "State contribution" means the lesser of:

(a) One million dollars;

(b) The total amount of local excise tax allocation revenues, local property tax allocation revenues, and other revenues from local public sources, that are dedicated by a sponsoring local government, any participating local governments, and participating taxing districts, in the preceding calendar year to the payment of principal and interest on bonds issued under RCW 39.102.150 or to pay public improvement costs on a pay-as-you-go basis subject to RCW 39.102.195, or both. Revenues from local public sources dedicated in the preceding calendar year that are in excess of the project award may be carried forward and used in later years for the purpose of this subsection (29) (b);

(c) The amount of project award granted by the board in the notice of approval to use local infrastructure financing under RCW 39.102.040; or

(d) The highest amount of state excise tax allocation revenues and state property tax allocation revenues for any one calendar year as determined by the sponsoring local government and reported to the board and the department as required by RCW 39.102.140.

(30) "State excise tax allocation revenue" means an amount equal to the annual increase in state excise taxes estimated to be received by the state in each calendar year following the approval of the revenue development area by the board, from taxable activity within the revenue development area as set forth in the application provided to the board under RCW 39.102.040 and periodically updated and reported as required in RCW 39.102.140(1)(f).

(31) "State excise taxes" means revenues derived from state retail sales and use taxes under RCW 82.08.020(1) and 82.12.020 at the rate provided in RCW 82.08.020(1), less the amount of tax

distributions from all local retail sales and use taxes, other than the local sales and use taxes authorized by RCW 82.14.475 for the applicable revenue development area, imposed on the same taxable events that are credited against the state retail sales and use taxes under chapters 82.08 and 82.12 RCW.

(32) "State property tax allocation revenue" means an amount equal to the estimated tax revenues derived from the imposition of property taxes levied by the state for the support of common schools under RCW 84.52.065 on the property tax allocation revenue value, as set forth in the application submitted to the board under RCW 39.102.040 and updated annually in the report required under RCW 39.102.140(1)(f).

(33) "Taxing district" means a government entity that levies or has levied for it regular property taxes upon real property located within a proposed or approved revenue development area.

(34) "Permanently affordable housing" means housing, regardless of ownership, for which there is a legally binding, recorded document in effect that limits the price at which the owner may sell. These documents include, but are not limited to, affordability covenants, deed restrictions, and community land trust leases. Resale restrictions exercised by providers of permanently affordable housing can include, but are not limited to:

(a) Continuous ownership of land by a public entity or nonprofit housing provider with a lease allowing ownership of the structure by an income-eligible household;

(b) A nonpossessory interest or right in real property, such as a deed restriction, restrictive covenant, resale restriction or other contractual agreement, that ensures affordability.

Sec. 3. RCW 39.104.020 and 2016 c 207 s 1 are each amended to read as follows:

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

(1) "Annual state contribution limit" means two million five hundred thousand dollars statewide per fiscal year, plus the additional amounts approved for demonstration projects in RCW 82.14.505.

(2) "Approving agency" means the department of revenue for project awards approved before June 9, 2016, and the department of commerce for project awards approved after June 9, 2016.

1 (3) "Assessed value" means the valuation of taxable real property
2 as placed on the last completed assessment roll.

3 (4) "Bond" means a bond, a note or other evidence of
4 indebtedness, including but not limited to a lease-purchase agreement
5 or an executory conditional sales contract.

6 (5) "Department" means the department of revenue.

7 (6) "Fiscal year" means the twelve-month period beginning July
8 1st and ending the following June 30th.

9 (7) "Local government" means any city, town, county, and port
10 district.

11 (8) "Local property tax allocation revenue" means those tax
12 revenues derived from the receipt of regular property taxes levied on
13 the property tax allocation revenue value and used for local
14 revitalization financing.

15 (9) "Local revitalization financing" means the use of revenues
16 from local public sources, dedicated to pay the principal and
17 interest on bonds authorized under RCW 39.104.110 and public
18 improvement costs within the revitalization area on a pay-as-you-go
19 basis, and revenues received from the local option sales and use tax
20 authorized in RCW 82.14.510, dedicated to pay the principal and
21 interest on bonds authorized under RCW 39.104.110.

22 (10) "Local sales and use tax increment" means the estimated
23 annual increase in local sales and use taxes as determined by the
24 local government in the calendar years following the approval of the
25 revitalization area by the department from taxable activity within
26 the revitalization area.

27 (11) "Local sales and use taxes" means local revenues derived
28 from the imposition of sales and use taxes authorized in RCW
29 82.14.030.

30 (12) "Ordinance" means any appropriate method of taking
31 legislative action by a local government.

32 (13) "Participating local government" means a local government
33 having a revitalization area within its geographic boundaries that
34 has taken action as provided in RCW 39.104.070(1) to allow the use of
35 all or some of its local sales and use tax increment or other
36 revenues from local public sources dedicated for local revitalization
37 financing.

38 (14) "Participating taxing district" means a taxing district
39 that:

1 (a) Has a revitalization area wholly or partially within its
2 geographic boundaries;

3 (b) Levies or has levied for it regular property taxes as defined
4 in this section; and

5 (c) Has not taken action as provided in RCW 39.104.060(2).

6 (15) "Property tax allocation revenue base value" means the
7 assessed value of real property located within a revitalization area,
8 less the property tax allocation revenue value.

9 (16)(a)(i) "Property tax allocation revenue value" means seventy-
10 five percent of any increase in the assessed value of real property
11 in a revitalization area resulting from:

12 (A) The placement of new construction, improvements to property,
13 or both, on the assessment roll, where the new construction and
14 improvements are initiated after the revitalization area is approved;

15 (B) The cost of new housing construction, conversion, and
16 rehabilitation improvements, when the cost is treated as new
17 construction for purposes of chapter 84.55 RCW as provided in RCW
18 84.14.020, and the new housing construction, conversion, and
19 rehabilitation improvements are initiated after the revitalization
20 area is approved;

21 (C) The cost of rehabilitation of historic property, when the
22 cost is treated as new construction for purposes of chapter 84.55 RCW
23 as provided in RCW 84.26.070, and the rehabilitation is initiated
24 after the revitalization area is approved.

25 (ii) Increases in the assessed value of real property in a
26 revitalization area resulting from (a)(i)(A) through (C) of this
27 subsection are included in the property tax allocation revenue value
28 in the initial year. These same amounts are also included in the
29 property tax allocation revenue value in subsequent years unless the
30 property becomes exempt from property taxation.

31 (b) "Property tax allocation revenue value" includes seventy-five
32 percent of any increase in the assessed value of new construction
33 consisting of an entire building in the years following the initial
34 year, unless the building becomes exempt from property taxation.

35 (c) Except as provided in (b) of this subsection, "property tax
36 allocation revenue value" does not include any increase in the
37 assessed value of real property after the initial year.

38 (d) There is no property tax allocation revenue value if the
39 assessed value of real property in a revitalization area has not

increased as a result of any of the reasons specified in (a)(i)(A) through (C) of this subsection.

(e) For purposes of this subsection, "initial year" means:

(i) For new construction and improvements to property added to the assessment roll, the year during which the new construction and improvements are initially placed on the assessment roll;

(ii) For the cost of new housing construction, conversion, and rehabilitation improvements, when the cost is treated as new construction for purposes of chapter 84.55 RCW, the year when the cost is treated as new construction for purposes of levying taxes for collection in the following year; and

(iii) For the cost of rehabilitation of historic property, when the cost is treated as new construction for purposes of chapter 84.55 RCW, the year when such cost is treated as new construction for purposes of levying taxes for collection in the following year.

(17) "Public improvement costs" means the costs of:

(a) Design, planning, acquisition, including land acquisition, site preparation including land clearing, construction, reconstruction, rehabilitation, improvement, and installation of public improvements;

(b) Demolishing, relocating, maintaining, and operating property pending construction of public improvements;

(c) Relocating utilities as a result of public improvements;

(d) Financing public improvements, including interest during construction, legal and other professional services, taxes, insurance, principal and interest costs on general indebtedness issued to finance public improvements, and any necessary reserves for general indebtedness; and

(e) Administrative expenses and feasibility studies reasonably necessary and related to these costs, including related costs that may have been incurred before adoption of the ordinance authorizing the public improvements and the use of local revitalization financing to fund the costs of the public improvements.

(18) "Public improvements" means:

(a) Infrastructure improvements within the revitalization area that include:

(i) Street, road, bridge, and rail construction and maintenance;

(ii) Water and sewer system construction and improvements;

(iii) Sidewalks, streetlights, landscaping, and streetscaping;

(iv) Parking, terminal, and dock facilities;

(v) Park and ride facilities of a transit authority;

(vi) Park facilities, recreational areas, and environmental remediation;

(vii) Stormwater and drainage management systems;

(viii) Electric, gas, fiber, and other utility infrastructures;

((and))

(b) Expenditures for any of the following purposes:

(i) Providing environmental analysis, professional management, planning, and promotion within the revitalization area, including the management and promotion of retail trade activities in the revitalization area;

(ii) Providing maintenance and security for common or public areas in the revitalization area; or

(iii) Historic preservation activities authorized under RCW 35.21.395; and

(c) Expenditures to purchase, rehabilitate, retrofit for energy efficiency, and construct housing for the purpose of creating or preserving permanently affordable housing.

(19) "Real property" has the same meaning as in RCW 84.04.090 and also includes any privately owned improvements located on publicly owned land that are subject to property taxation.

(20)(a) "Regular property taxes" means regular property taxes as defined in RCW 84.04.140, except: (i) Regular property taxes levied by public utility districts specifically for the purpose of making required payments of principal and interest on general indebtedness; (ii) regular property taxes levied by the state for the support of common schools under RCW 84.52.065; and (iii) regular property taxes authorized by RCW 84.55.050 that are limited to a specific purpose.

(b) "Regular property taxes" do not include:

(i) Excess property tax levies that are exempt from the aggregate limits for junior and senior taxing districts as provided in RCW 84.52.043; and

(ii) Property taxes that are specifically excluded through an interlocal agreement between the sponsoring local government and a participating taxing district as set forth in RCW 39.104.060(3).

(21)(a) "Revenues from local public sources" means:

(i) The local sales and use tax amounts received as a result of interlocal agreement, local sales and use tax amounts from sponsoring local governments based on its local sales and use tax increment, and local property tax allocation revenues, which are dedicated by a

sponsoring local government, participating local governments, and participating taxing districts, for payment of bonds under RCW 39.104.110 or public improvement costs within the revitalization area on a pay-as-you-go basis; and

(ii) Any other local revenues, except as provided in (b) of this subsection, including revenues derived from federal and private sources and amounts received by taxing districts as set forth by an interlocal agreement as described in RCW 39.104.060(4), which are dedicated for the payment of bonds under RCW 39.104.110 or public improvement costs within the revitalization area on a pay-as-you-go basis.

(b) Revenues from local public sources do not include any local funds derived from state grants, state loans, or any other state moneys including any local sales and use taxes credited against the state sales and use taxes imposed under chapter 82.08 or 82.12 RCW.

(22) "Revitalization area" means the geographic area adopted by a sponsoring local government and approved by the approving agency, from which local sales and use tax increments are estimated and property tax allocation revenues are derived for local revitalization financing.

(23) "Sponsoring local government" means a city, town, county, or any combination thereof, that adopts a revitalization area.

(24) "State contribution" means the lesser of:

(a) Five hundred thousand dollars;

(b) The project award amount approved by the approving agency as provided in RCW 39.104.100 or 82.14.505; or

(c) The total amount of revenues from local public sources dedicated in the preceding calendar year to the payment of principal and interest on bonds issued under RCW 39.104.110 and public improvement costs within the revitalization area on a pay-as-you-go basis. Revenues from local public sources dedicated in the preceding calendar year that are in excess of the project award may be carried forward and used in later years for the purpose of this subsection (24) (c).

(25) "State property tax increment" means the estimated amount of annual tax revenues estimated to be received by the state from the imposition of property taxes levied by the state for the support of common schools under RCW 84.52.065 on the property tax allocation revenue value, as determined by the sponsoring local government in an

1 application under RCW 39.104.100 and updated periodically as required
2 in RCW 82.32.765.

3 (26) "State sales and use tax increment" means the estimated
4 amount of annual increase in state sales and use taxes to be received
5 by the state from taxable activity within the revitalization area in
6 the years following the approval of the revitalization area as
7 determined by the sponsoring local government in an application under
8 RCW 39.104.100 and updated periodically as required in RCW 82.32.765.

9 (27) "State sales and use taxes" means state retail sales and use
10 taxes under RCW 82.08.020(1) and 82.12.020 at the rate provided in
11 RCW 82.08.020(1), less the amount of tax distributions from all local
12 retail sales and use taxes, other than the local sales and use taxes
13 authorized by RCW 82.14.510 for the applicable revitalization area,
14 imposed on the same taxable events that are credited against the
15 state retail sales and use taxes under RCW 82.08.020(1) and
16 82.12.020.

17 (28) "Taxing district" means a government entity that levies or
18 has levied for it regular property taxes upon real property located
19 within a proposed or approved revitalization area.

20 (29) "Permanently affordable housing" means housing, regardless
21 of ownership, for which there is a legally binding, recorded document
22 in effect that limits the price at which the owner may sell. These
23 documents include, but are not limited to, affordability covenants,
24 deed restrictions, and community land trust leases. Resale
25 restrictions exercised by providers of permanently affordable housing
26 can include, but are not limited to:

27 (a) Continuous ownership of land by a public entity or nonprofit
28 housing provider with a lease allowing ownership of the structure by
29 an income-eligible household;

30 (b) A nonpossessory interest or right in real property, such as a
31 deed restriction, restrictive covenant, resale restriction or other
32 contractual agreement, that ensures affordability.

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