SUBSTITUTE HOUSE BILL 2583

State of Washington 64th Legislature 2016 Regular Session

By House Community Development, Housing & Tribal Affairs (originally sponsored by Representatives McBride, Haler, Zeiger, Stambaugh, Moscoso, Bergquist, Fitzgibbon, Peterson, Van De Wege, Springer, Santos, Goodman, Hickel, and Tharinger)

AN ACT Relating to authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington arts commission; adding new sections to chapter 43.46 RCW; and creating a new section.

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

6 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that:

7 (a) A creative district is a designated, geographical, mixed-use 8 area of a community in which a high concentration of cultural 9 facilities, creative businesses, or arts-related businesses serve as 10 the anchor of attraction.

(b) In certain cases, multiple vacant properties in close proximity may exist within a community that would be suitable for redevelopment as a creative district.

14 (c) Creative districts are a highly adaptable economic 15 development tool that is able to take a community's unique 16 conditions, assets, needs, and opportunities into account and thereby 17 address the needs of large, small, rural, and urban areas.

18 (d) Creative districts may be home to both nonprofit and for-19 profit creative industries and organizations.

(e) The arts and culture transcend boundaries of race, age,gender, language, and social status.

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(f) Creative districts promote and improve communities in
 particular and the state more generally in many ways. Specifically,
 such districts:

4 (i) Attract artists and creative entrepreneurs to a community and
5 thereby infuse the community with energy and innovation and enhance
6 the economic and civic capital of the community;

7 (ii) Create a hub of economic activity that helps an area become 8 an appealing place to live, visit, and conduct business, complements 9 adjacent businesses, creates new economic opportunities and jobs in 10 both the cultural sector and other local industries, and attracts new 11 businesses and assists in the recruitment of employees;

12 (iii) Establish marketable tourism assets that highlight the 13 distinct identity of communities, attract in-state, out-of-state, and 14 international visitors, and become especially attractive destinations 15 for cultural, recreational, and business travelers;

16 (iv) Revitalize and beautify neighborhoods, cities, and larger 17 regions, reverse urban decay, promote the preservation of historic 18 buildings, and facilitate a healthy mixture of business and 19 residential activity that contributes to reduced vacancy rates and 20 enhanced property values;

(v) Provide a focal point for celebrating and strengthening a community's unique cultural identity, providing communities with opportunities to highlight existing cultural amenities as well as mechanisms to recruit and establish new artists, creative industries, and organizations;

(vi) Provide artists with a creative area in which they can live and work, with living spaces that enable them to work in artistic fields and find affordable housing close to their place of employment; and

30 (vii) Enhance property values. Successful creative districts 31 combine improvements to public spaces such as parks, waterfronts, and 32 pedestrian corridors, alongside property development. The 33 redevelopment of abandoned properties and historic sites and 34 recruiting businesses to occupy vacant spaces can also contribute to 35 reduced vacancy rates and enhanced property values.

36 (2) It is the intent of the legislature that the state provide 37 leadership and a helping hand to local communities desirous of 38 creating their own creative districts by, among other things, 39 certifying districts, offering available incentives to encourage 40 business development, exploring new incentives that are directly

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1 related to creative enterprises, facilitating local access to state 2 assistance, enhancing the visibility of creative districts, providing 3 technical assistance and planning help, ensuring broad and equitable 4 program benefits, and fostering a supportive climate for the arts and 5 culture, thereby contributing to the development of healthy 6 communities across the state and improving the quality of life of the 7 state's residents.

8 <u>NEW SECTION.</u> **Sec. 2.** The definitions in this section apply 9 throughout this chapter unless the context clearly requires 10 otherwise.

11 (1) "Commission" means the Washington state arts commission.

12 (2) "Coordinator" means the employee of the Washington state arts 13 commission who is responsible for performing the specific tasks under 14 section 5 of this act.

(3) "Creative district" means a land area designated by a local government in accordance with section 3 of this act that contains either a hub of cultural facilities, creative industries, or artsrelated businesses, or multiple vacant properties in close proximity that would be suitable for redevelopment as a creative district.

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(4) "Local government" means a city, county, or town.

(5) "State-certified creative district" means a creative district whose application for certification has been approved by the commission.

24 NEW SECTION. Sec. 3. (1) A local government may designate a 25 creative district within its territorial boundaries subject to 26 certification as a state-certified creative district by the 27 commission. Two or more local governments may jointly apply for certification of a creative district that extends across a common 28 29 boundary.

30 (2) In order to receive certification as a state-certified 31 creative district, a creative district must:

32 (a) Be a geographically contiguous area;

(b) Be distinguished by physical, artistic, or cultural resources
 that play a vital role in the quality and life of a community,
 including its economic and cultural development;

36 (c) Be the site of a concentration of artistic or cultural 37 activity, a major arts or cultural institution or facility, arts and 1 entertainment businesses, an area with arts and cultural activities, 2 or artistic or cultural production;

3 (d) Be engaged in the promotional, preservation, and educational 4 aspects of the arts and culture of the community and contribute to 5 the public through interpretive, educational, or recreational uses; 6 and

7 (e) Satisfy any additional criteria required by the commission 8 that in its discretion will further the purposes of sections 2 9 through 5 of this act. Any additional eligibility criteria must be 10 posted by the commission on its public web site.

(3) The commission may grant certification to a creative district that does not qualify for certification under subsection (2) of this section if the land area proposed for certification contains multiple vacant properties in close proximity that would be suitable, as determined by the commission, for redevelopment as a creative district.

17 <u>NEW SECTION.</u> Sec. 4. (1) The commission must create a process 18 for review of applications submitted by local governments for 19 certification of state-certified creative districts. The application 20 must be submitted on a standard form developed and approved by the 21 commission.

(2) After reviewing an application for certification, the commission must approve or reject the application or return it to the applicant with a request for changes or additional information. The commission may request that an applicant provide relevant information supporting an application. Rejected applicants may reapply at any time in coordination with program guidelines.

(3) Certification must be based upon the criteria specified insection 3 of this act.

30 (4) If the commission approves an application for certification, 31 it must notify the applicant in writing and must specify the terms 32 and conditions of the commission's approval, including the terms and 33 conditions set forth in the application and as modified by written 34 agreement between the applicant and the commission.

35 (5) Upon approval by the commission of an application for 36 certification, a creative district becomes a state-certified creative 37 district with all of the attendant benefits under sections 2 through 38 5 of this act.

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1 (6) The commission may revoke a certification previously granted 2 for failure by a local government to comply with the requirements of 3 this section or an agreement executed pursuant to this section.

In addition to any powers explicitly granted to the 4 (7)commission under sections 2 through 5 of this act, the commission is 5 6 granted such additional powers as are necessary to carry out the purposes of sections 2 through 5 of this act. Where authorized by 7 law, such powers may include offering incentives to state-certified 8 creative districts to encourage business development, exploring new 9 incentives that are directly related to creative enterprises, 10 11 facilitating local access to state economic development assistance, 12 enhancing the visibility of state-certified creative districts, providing state-certified creative districts 13 with technical assistance and planning aid, ensuring broad and equitable program 14 benefits, and fostering a supportive climate for the arts and culture 15 16 within the state.

17 (8) The creation of a district under this section may not be used 18 to prohibit any particular business or the development of residential 19 real property within the boundaries of the district or to impose a 20 burden on the operation or use of any particular business or parcel 21 of residential real property located within the boundaries of the 22 district.

23 <u>NEW SECTION.</u> Sec. 5. The coordinator must:

24 (1) Review applications for certification and make a25 recommendation to the commission for action;

26 (2) Administer and promote the application process for the 27 certification of creative districts;

(3) With the approval of the commission, develop standards and
policies for the certification of state-certified creative districts.
Any approved standards and policies must be posted on the
commission's public web site;

32 (4) Require periodic written reports from any state-certified 33 creative district for the purpose of reviewing the activities of the 34 district, including the compliance of the district with the policies 35 and standards developed under this section and with the conditions of 36 an approved application for certification;

37 (5) Identify available public and private resources, including 38 any applicable economic development incentives and other tools, that 39 support and enhance the development and maintenance of creative

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districts and, with the assistance of the commission, ensure that such programs and services are accessible to creative districts; and (6) With the approval of the commission, develop such additional procedures as may be necessary to administer this section. Any approved procedures must be posted on the commission's public web site.

7 <u>NEW SECTION.</u> Sec. 6. Sections 2 through 5 of this act are each 8 added to chapter 43.46 RCW.

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