Background

The County, Economic Alliance and Municipalities have agreed that the vision for creating a sustainable and vital economy in the County depends on creation and implementation of a fair, equitable and consistent process for the prioritization of economic and community development projects.

WA-CERT SIFT

In 1994, the Okanogan County Council for Economic Development (predecessor to the Economic Alliance) led the way in the Pacific Northwest on the creation and implementation of a process to identify and prioritize economic development projects in a County. This process, called the SIFT, subsequently became a requirement for all communities in the region hoping to obtain funding through the federal Economic Adjustment Initiative (EAI). The Washington Community Economic Revitalization Team (WA-CERT), formed to implement the EAI, was instrumental in developing a process where nearly all federal and state funding programs were coordinated and assistance targeted based on the outcome of each county’s SIFT process.

Since its inception, the WA-CERT SIFT process in Okanogan County required each applicant to complete the two-page WA-CERT pre-application form, attend the SIFT meeting to present their proposal, and participate in evaluating projects using a criteria based score sheet. Each entity with a project was given one vote when scoring each project and everyone was encouraged to be objective in rating the projects. The final result was a priority list of all submitted projects that were presented by the economic development council (OCCED, Partnership 2005, Alliance 2005 and now – the Economic Alliance, hereinafter referred to in this report as the “Alliance”) to the County Commissioners. The Commissioners’ typically adopted a resolution certifying the list then forwarded it to the WA-CERT. The resulting “WA-CERT list” was then reviewed by the various funding agencies, scoping agents assigned, and projects identified that were either eligible for an existing funding program or deemed worthy of focused technical assistance.

The scope and variety of projects run through the local WA-CERT process had been as varied as the funding programs existing at the state and federal levels. Projects ranging from small grants for feasibility studies to millions of dollars for new sewer treatment plants were funded and completed. Over $16 million dollars of grant and loan funds was leveraged by local governments and non-profit organizations through the WA-CERT process.
.08 Infrastructure Fund

In 1999/2000 the Legislature, in an effort to address the economic development concerns of “distressed” counties, passed several pieces of legislation that gave these counties (now referred to as “rural”) authority to impose a sales and use tax of up to .08% for the purpose of financing public facilities within the county serving economic development purposes. In June of 2000, the County, Cities and Towns and the Alliance came together and developed a process that utilized an application similar in content and evaluation criteria to the WA-CERT SIFT process. However, because of the limitations placed on the funds by the legislature (only counties, cities and towns are eligible for publicly owned infrastructure), a decision was made to create a separate process for identifying priorities for infrastructure fund grants. Reference to the tax revenues became informally known as the “.08 fund”, or variations of such.

The County Commissioners, by resolution, charged the Infrastructure Committee of the Alliance with the task of reviewing applications and making a recommendation on what projects should be funded. The committee reviewed applications, listened to presentations by proponents and made recommendation to the Alliance Board of Directors. The Board reviewed the recommendation then sent its own recommendation to the County Commissioners who had the final say in allocation of the .08 revenues.

Prior to bonding projected income from .08 revenues there had been three funding rounds for the .08 Infrastructure Fund dollars. Completed projects ranged from small street improvements to reconstruction of the runway at Omak Municipal Airport. Most of the .08 funds leveraged significant local, state, federal and private investments in economic development infrastructure. However, because total funding for each round was limited to approximately $300,000, the scope of the successful projects had been fairly limited with the largest single grant awarded under $125,000.

Bonding of .08 Revenue

During the late winter and spring 2003, county officials began discussions with a law firm specializing in municipal bonding about the potential for bonding the .08 revenue in order to secure the dollars in light of the state’s budget difficulties and to create a funding source large enough to address current and emerging infrastructure needs required to support economic development.

After much discussion among county, city, town, Alliance officials and representatives of area non-profits, the County Commissioners passed a bond resolution on April 7th, 2003 that authorized the sale of bonds, committed funding to the installation of a new HVAC system in the County Courthouse, a business incubator, and established the Public Facilities Fund. The Public Facilities Fund was comprised of three accounts: Emerging Opportunities Account; City and Town Facilities Account; and, the County Facilities Account. The Commissioners included a 20%, 40%, 40%, respectively; split of the bond proceeds as well as any .08 revenues above that required for bond repayment each year.

In order to develop a more cooperative and coordinated approach to funding projects through the Public Facilities Account, the Commissioners charged the Economic Alliance with the task of working with stakeholders to refine the process for selecting and recommending projects, except that the County Facilities Account was exempt from this process.
Summary

For about three years there had been two processes for identifying economic development priorities resulting in two “official” lists of countywide economic development priorities. The resulting confusion coupled with the, then new, availability of approximately $3.5 million in the Public Facilities Fund motivated the Alliance into recommending that the Commissioners adopt a new process that combined the WA-CERT and Infrastructure Fund processes. Now, in 2008, the bonded .08 income has been spent on a variety of significant infrastructure projects, leveraging some substantial outside funding for these projects. However, change being inevitable, the Washington Economic Revitalization Team is no longer an entity, and amendments to RCW 82.14.370 have increased the sales and use tax authority for public facilities in rural counties to .09%. Therefore, changes to Okanogan County’s “SIFT” process are necessary as prioritization of economic development projects are still an important aspect of the allocation of the infrastructure monies. While state and federal agencies no longer utilize the WACERT process, it is expected that in the future these funding agencies will be looking for assistance in some form to identify priorities. Additionally, the North Central Washington Economic Development District (EDD) uses priority lists from each of their member counties to prioritize their efforts to support regional projects. This regionalized prioritization is also sometimes helpful in securing funding as it demonstrates regional priorities to funding entities.

The process presented herein is intended to implement the recommendations of the Infrastructure Committee of the Alliance after consultation with representatives of the County, Cities and non-profit organizations. The three accounts should continue to be managed separately for the .09 Facilities Account where the application process applies only to the City and Town Facilities Account, and the Emerging Opportunities Account. The County Commissioners will manage the County Facilities Account, and may contribute to the City and Town Account, and Emerging Opportunity Account, for projects as they may deem appropriate.
Project Prioritization Process

The Economic Alliance will coordinate the application and review process and provide the Okanogan County Commissioners with a single prioritized master list of economic and community development projects. It is recognized that some projects (e.g., city and district fire halls, police stations, correctional facilities) may not be eligible for certain funding sources including .09 revenues. Therefore, from the master list, a multi-year project list of projects that comply with RCW 82.14.370 while meeting our own county-wide economic development priorities will be developed, and upon review of other state and federal funding lists, appropriate sub-lists may be developed. This is intended to avoid the hasty reprioritization of projects for special circumstances related to different funding sources. Three projects will be selected from the Master List that are determined to be regional in scope (i.e., of benefit at least to the North Central Washington region) and forwarded to the North Central Washington Economic Development District (NCW EDD) for consideration as regional projects, gaining additional support and attention at that level.

Each entity intending to submit projects for prioritization are encouraged to, first, review and prioritize their own projects and are requested to limit the number of applications to three for Public Facilities Fund grants and three for prioritization for other community development projects. Any entity expecting to apply for .09 funding is highly encouraged to participate in an annual application workshop to be held by the Economic Alliance, prior to the application due date. At this workshop, the application process will be explained in detail and there will be an opportunity to discuss potential upcoming projects. Further project development may be recommended and potential applicants may be strongly encouraged to attend the Infrastructure Assistance Coordinating Committee (IACC) conference held annually in Wenatchee where funding agencies gather to provide project development assistance and to present their infrastructure funding programs. A “Tech Team” session may be arranged at this conference, or a community may decide to arrange such a meeting with funders on their own. Regardless of the approach, Alliance will favor projects that demonstrate an effort to leverage other funding in order to maximize the local funding sources. The Alliance supports projects with good return potential, and/or projects that build strategic infrastructure improvements that enhance the County’s competitive position for economic development.

Emerging Opportunities Process

Emerging opportunities are economic opportunities or infrastructure enhancements, which require immediate action outside the normal funding cycle (e.g. a “Bird in the Hand” business which will sign a contingency agreement or a time sensitive investment requirement from another funding source or private individual or business). These projects will be reviewed using the same application and criteria described below. However the timeline for review and recommendation by the Alliance is shortened to provide for quick responses to emerging opportunities. The emerging opportunities review process is described in the following paragraph.

When a proposal for emerging opportunities funding is submitted to the Alliance, staff will immediately (within 2 business days) notify members of the Infrastructure Committee, the Economic Alliance Executive Committee and the County Commissioners. A copy of the application and related materials will be provided to each member of these groups by the most expeditious means possible. The Economic Alliance staff, Executive Director or other designee
will poll the above groups and ensure a simple majority concurs with funding the project. If a simple majority of the Infrastructure Committee and a simple majority of the Executive Committee, each voting separately, exists then the Economic Alliance will present the project to the County Commissioners at their next regular meeting. Following the Commissioner’s action the project will be managed the same as any other Public Facilities Fund project.

The County Commissioners have the final decision on all projects to be funded through the Public Facilities Fund.

Outline of Process

1. Notice to Potential Applicants – The Alliance will provide written notice to all interested local governments, agencies and non-profits that the application period for projects is open. Said notice shall be provided a minimum of 14 days prior to an Economic Alliance Infrastructure Workshop, which shall be held at least 30 days from the date the application period closes. The notice shall include information about application submittal dates, a schedule with dates and times and locations for meetings of the Infrastructure Committee and Infrastructure Workshop, the Alliance Board of Directors and County Commissioners where the applications will be reviewed and ranked and recommendations acted upon. (2015 Timeline: Attachment A)

The notice shall also be published in area weekly and daily newspapers informing the public of the availability and timing of the application cycle. In the same notice, there will be an announcement regarding a funding workshop where those intending to bring a project(s) forward will be encouraged to attend. This information will be helpful to the applicant for further project development and funding source identification, and helpful to the Economic Alliance to become familiar with projects. A matrix of funding sources and timelines for applications will be made available at the workshop.

2. Application – All proponents of projects and proposals to be prioritized must complete the application and submit to the Economic Alliance by the predetermined deadline. Also, applicants with projects desiring to access the Public Facilities Fund must also complete additional questions applicable only to this fund to establish eligibility for dollars from this fund. The application will be made available in electronic format available on the Economic Alliance web site (www.economic-alliance.com), but twelve (12) copies of the completed applications must be delivered in hard copy.

Applications must be completed and a signed paper copy received by the Alliance no later than 5:00 pm on the date specified in the Notice to Potential Applicants.

A copy of the application forms follows the process description.

3. Application Process – Within 2 business days after the close of the application cycle, Alliance staff will review the applications to determine the following:

- The applicants are willing to attend an Economic Alliance meeting to be interviewed on their application.
- The applicant is eligible - counties, tribes, municipal corporations, special purpose districts, public ports, economic development councils, and not-for-profit organizations.
The project being proposed is within Okanogan County (except for those portions of the Town of Coulee Dam that are within Douglas and Grant Counties).

Applications are to be complete and signed by the appropriate official of the entity submitting the application.

Projects seeking Public Facilities Fund dollars must provide evidence that the project being proposed is seeking funding from the Public Facilities Fund for a project that fits the definition of “public facilities” and has an economic development element, that is bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm water facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, and port facilities in the state of Washington that creates or retains jobs. (Both new and continuing projects are considered in this definition.) RCW 82.14.370.

Staff will work with applicants to address any issues and then will prepare, mail, e-mail or deliver a packet to the members of the Alliance Infrastructure Committee containing a copy of each application, a scoring matrix (the application, criteria, scoring matrix and description of scoring process follows) and notice of the date, time and location for the Infrastructure Committee’s meeting to evaluate the applications. The applications and related information must be provided to members of the Infrastructure Committee a minimum of 5 working days prior to the evaluation meeting.

4. **Evaluation Meeting** – The Infrastructure Committee shall hold a meeting(s) for the purpose of evaluating and ranking of all project proposals received during the application cycle. The review shall consist of a preliminary review and ranking based on each committee members review and scoring of the applications mailed or delivered prior to the meeting. This preliminary scoring can be revised after a second review with the entire Committee. At the committee meeting, each applicant shall be given up to 10 minutes to present and respond to questions about their project. Applicants should focus their presentations on the review criteria and applicants for Public Facilities Fund dollars should clearly make a case for eligibility for these funds.

5. **Priority List** – The result of the Evaluation Meeting is a list of all project proposals listed in priority order determined by a tally of each committee members scoring matrix. After discussion, the Infrastructure Committee must move to make a recommendation to the Board of the Economic Alliance on an overall economic development priority list as well as priorities for Public Facilities Fund dollars broken into projects recommended for funding from the Town and City Facilities Account. The recommendation may also include special conditions the Committee feels are necessary for Public Facilities Fund projects to ensure the effective and efficient use of this limited resource.

6. **Recommendation** – The Infrastructure Committee’s recommendation will be reviewed at the next scheduled Economic Alliance meeting and the Alliance Board must review the list and move to make a recommendation to the Okanogan County Commissioners on the overall priorities as well as priorities for projects to be funded with Public Facilities Fund dollars.

7. **Commissioner Action** – The Alliance’s recommendation must be sent to the County Commissioners who will hold a public hearing to review the recommendation and accept public comments on the priorities. At the close of the hearing the Commissioners shall table action until a date, time and place are certain or take action to adopt a priority list and allocate Public Facilities Fund dollars.
8. **Public Facilities Fund Contracts** – Once the Commissioners have taken action the Alliance shall work with the County Administrator and successful applicants to complete grant contracts that specify how and when funding can be obtained and used and list any special conditions placed on the project including reporting criteria.
Okanogan County
Economic Development Project
Prioritization Application

Applicant:

City or Town: ____________________________________________

Organization: ____________________________________________

Contact Person: __________________________________________

Address: ____________________________________________

Telephone #: ___________________ Fax #: ___________________

E-mail address: __________________________________________

Please specify Category of Funding:

☐ .09 Public Facility City Account - Only Okanogan County Municipalities are Eligible

☐ Emerging Opportunities Account

☐ Prioritization Process only

☐ Other

1. Briefly describe your project. When did you start work on it? Who is involved? What is the scope of the project? If this is a phased project, which phase are you seeking assistance for now?
2. Provide a description of how the project is consistent with the requirements of RCW 82.14.370 (RCW 82.14.370: Attachment B) including what short and long-term economic development needs or opportunities will be addressed or barriers removed.

3. How does this project satisfy, in whole or in part, your economic diversification strategy?

4. How does the project satisfy the County’s (i.e., Economic Alliance) Economic Development Strategy?

5. Is this project relative to any of the following city/town or county planning efforts? Please specify the relationship.
   
   a. Comprehensive Plan

   b. Capital Facilities Plan

   c. Other
6. Have engineering reports and feasibility studies been prepared, and when? If so, please describe them.

7. Have you committed your own funds, or secured funds for this project from state or federal programs or foundations? (Please provide a general budget specifying sources, including local match and dollar amounts. Specify any conditions attached to any of these secured funding sources).

8. Are there other efforts you have made that are unique to this project (Please also include here any unique or proposals issues in terms of how the funding sources are expected to be accessed or used)?
9. Are there anticipated outcomes of this project in terms of the criteria identified below? QUANTIFY INFORMATION WHERE POSSIBLE. (If a section does not apply, mark it "NA")

   A. How many full-time, permanent jobs will this project create or retain?
      Create in 1-3 years? _____________ Jobs Retain? _____________
      Create in 3-5 years? _____________

   B. How will this project improve local infrastructure capacity?

   C. Will this project help you solve a health and safety problem or come into compliance with an EPA or DOE order? If so, please specify.

10. How many months will this project take to complete? _____________

11. Are there any other factors significant to this project that we should be aware of, such as emergency declarations, bird-in-hand industry, volunteer efforts, links to other priority projects, etc.?
12. **What quantifiable outcomes are you going to track to measure the success of this project?**

There are no limits on the size of the project or on its nature, as long as it complies with the criteria of the RCW, however, no single project will be awarded all the available funding.

The information provided in this application is true and correct to the best of the preparer’s belief and knowledge:

Signature of Preparer _______________________________ Date _______
# Evaluation Criterion and Weighting Factors

<table>
<thead>
<tr>
<th>Key</th>
<th>Criteria</th>
<th>Explanation</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Readiness</td>
<td>Is the project ready to proceed?</td>
<td>Each proposal should be evaluated and rated based on its readiness to proceed (sign contract, advertise for bids, apply for matching money, etc....). For example, a project which has needed engineering documents, permits and environmental review completed would rate a 20 while a project that is in its early stages would rate a 1 to 5 depending on the details included in the project scope. Projects that represent discreet phases (e.g. a feasibility study or conceptual plan) required to move a project to construction of implementation would rate a 5 to 15, again depending on the project scope.</td>
<td>20</td>
</tr>
<tr>
<td>Local Commitment</td>
<td>Does the proposal include evidence of local commitment in terms of support, funding, need, etc…</td>
<td>Each proposal should be evaluated and rated based on the level of local commitment described in the application. A project that shows strong local commitment in terms of dollars, in-kind support, history of positive action, evidence of efforts to secure funding from other appropriate sources, record of public participation etc…. would rate 15 while a project with no firm evidence of local commitment would rate a 1.</td>
<td>15</td>
</tr>
<tr>
<td>Enhances Infrastructure and Economic Diversification</td>
<td>Does the proposal include physical infrastructure or other items required for economic diversification?</td>
<td>There is a wide variation to the type and scope of proposals. Each proposal should be evaluated and rated on its own merit based on a review of the information provided by the applicant.</td>
<td>25</td>
</tr>
<tr>
<td>Consistency with applicable local plans</td>
<td>Is the project consistent with the Alliance Strategic Plan and/or local Comprehensive Plans, Economic Plans or Capital Facilities Plan?</td>
<td>Each proposal should be evaluated and rated on consistency with appropriate plans. A project that is detailed in existing, adopted plans should be rated 20-25, a project that is in a draft plan a 10 to 20, and projects not in any plans 1 to 10.</td>
<td>25</td>
</tr>
<tr>
<td>Economic Impact</td>
<td>Will the project provide some measurable positive impact on Okanogan County’s economy?</td>
<td>Each proposal should be evaluated and rated based on what type of economic impact the project will have. For example, a proposal that will generate new or retain existing jobs would rate a 20 to 25. Proposals that result in studies, reports or organizational capacity building, depending on the specific proposal would rate from 10-20. Proposals with little or no description in terms of economic impact would rate a 1 to 10.</td>
<td>25</td>
</tr>
<tr>
<td>Key</td>
<td>Criteria</td>
<td>Explanation</td>
<td>Total Points</td>
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<tr>
<td>Workforce</td>
<td>Will the project provide opportunities for workforce training upon</td>
<td>There is a wide variation to the type and scope of proposals. Each proposal should be evaluated and rated on its own merit based on a review of the information provided by the applicant.</td>
<td>10</td>
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<tr>
<td>Training</td>
<td>completion?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnerships</td>
<td>Does the project create opportunities for public/private partnerships,</td>
<td>This criterion is intended to give weight to projects that involve other private or public entities. For example, a developer is extending a City water main to serve a new private development in an area that is presently underserved. The partnership in this instance could be that the City would participate in increasing the line size over that required for the proposed development to improved service to existing residents/customers and projected growth. Each proposal should be evaluated and rated on its own merit based on a review of the information provided by the applicant.</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>intergovernmental cooperation or further existing commitments to private</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>or public parties?</td>
<td></td>
<td></td>
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<tr>
<td>Leveraging</td>
<td>Does proposal leverage local, private, state and federal dollars and/or</td>
<td>Each proposal should be evaluated and rated based on the amount and type of assistance to be leveraged by the commitment of local resources. For example, a proposal that has secured most of the resources required but still has a funding gap would rate a 15 to 20. A proposal that leverages 75% or more of the assistance required for success would also rate a 15 to 20. Projects that leverage from 50% to 75% would rate 10 or 15, those that leverage 25% to 50% would rate a 5 to 10 and those that do not leverage any other resources would rate a 1 to 5. The rating process should consider the amount requested when evaluating projects. For example a small project ($10,000 or less) should not necessarily be evaluated based on the amount of resources leveraged, but rather on the merits of the proposal. The leveraged dollars do not have to be in hand but at a minimum it must be clear what sources and amounts will be leveraged. Additionally, efforts to leverage funding should be considered when evaluating projects as unsuccessful attempts may be justified; however, points should be withheld from projects who have clearly not made efforts to secure other funding.</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>technical resources?</td>
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<td></td>
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## ECONOMIC DEVELOPMENT
## PROJECT PRIORITIZATION
### EVALUATION MATRIX

<table>
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<tr>
<th>Criterion</th>
<th>Total Points</th>
<th>Score</th>
<th>Score</th>
<th>Score</th>
<th>Score</th>
<th>Score</th>
<th>Score</th>
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</thead>
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<tr>
<td>Project Readiness</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Local Commitment</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<tr>
<td>Enhances Infrastructure and Economic Diversification</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Consistency with applicable local plans</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Economic Impact</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Workforce Training</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Partnerships</td>
<td>10</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>Leveraging</td>
<td>20</td>
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<td>0</td>
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ATTACHMENT A
2015 Timeline

**January 30, 2015**
Press release and Memo out to eligible communities informing them about proposal opportunities.

**February 20, 2015**
Deadline for all .09 applications. They must be turned into the Economic Alliance office no later than 5:00 p.m. Absolutely no late applications accepted.

**February 23, 2015**
Submitted applications will be mailed to the Economic Alliance Infrastructure committee members for their review. Applicants will be contacted to schedule a time for their presentation.

**March 3, 2015**
Presentations to the Economic Alliance Infrastructure committee will be held at a designated location. Notification for project selection will occur after approval from the Executive committee of the Economic Alliance and the Okanogan County Commissioners.
ATTACHMENT B
RCW 82.14.370

RCW 82.14.370
Sales and use tax for public facilities in rural counties.

(1) The legislative authority of a rural county may impose sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax shall not exceed 0.09 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax, except that for rural counties with population densities between sixty and one hundred persons per square mile, the rate shall not exceed 0.04 percent before January 1, 2000.

(2) The tax imposed under subsection (1) of this section shall be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue shall perform the collection of such taxes on behalf of the county at no cost to the county.

(3)(a) Moneys collected under this section shall only be used to finance public facilities serving economic development purposes in rural counties and finance personnel in economic development offices. The public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town located within the county for those counties planning under RCW 36.70A.040. For those counties that do not have an adopted overall economic development plan and do not plan under the growth management act, the public facility must be listed in the county's capital facilities plan or the capital facilities plan of a city or town located within the county.

(b) In implementing this section, the county shall consult with cities, towns, and port districts located within the county and the associate development organization serving the county to ensure that the expenditure meets the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection. Each county collecting money under this section shall report, as follows, to the office of the state auditor, within one hundred fifty days after the close of each fiscal year: (i) A list of new projects begun during the fiscal year, showing that the county has used the funds for those projects consistent with the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection; and (ii) expenditures during the fiscal year on projects begun in a previous year. Any projects financed prior to June 10, 2004, from the proceeds of obligations to which the tax imposed under subsection (1) of this section has been pledged shall not be deemed to be new projects under this subsection. No new projects funded with money collected under this section may be for justice system facilities.

(c) The definitions in this section apply throughout this section.

(i) "Public facilities" means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, or
commercial infrastructure, and port facilities in the state of Washington.

(ii) "Economic development purposes" means those purposes which facilitate the creation or retention of businesses and jobs in a county.

(iii) "Economic development office" means an office of a county, port districts, or an associate development organization as defined in RCW 43.330.010, which promotes economic development purposes within the county.

(4) No tax may be collected under this section before July 1, 1998. No tax may be collected under this section by a county more than twenty-five years after the date that a tax is first imposed under this section.

(5) For purposes of this section, "rural county" means a county with a population density of less than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles as determined by the office of financial management and published each year by the department for the period July 1st to June 30th.

[2007 c 478 § 1; 2007 c 250 § 1; 2004 c 130 § 2; 2002 c 184 § 1; 1999 c 311 § 101; 1998 c 55 § 6; 1997 c 366 § 3.]

NOTES:

Reviser's note: This section was amended by 2007 c 250 § 1 and by 2007 c 478 § 1, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Effective date -- 2007 c 478: "This act takes effect August 1, 2007." [2007 c 478 § 2.]

Intent -- 2004 c 130: "It is the intent of the legislature in enacting this 2004 act to reaffirm the original goals of the 1997 act which first provided distressed counties with the local option sales and use tax contained in RCW 82.14.370. The local option tax is now available to all rural counties and the continuing legislative goal for RCW 82.14.370 is to promote the creation, attraction, expansion, and retention of businesses and provide for family wage jobs." [2004 c 130 § 1.]

Finding -- Intent -- 1999 c 311: "The legislature finds that while Washington's economy is currently prospering, economic growth continues to be uneven, particularly as between metropolitan and rural areas. This has created in effect two Washingtons: One afflicted by inadequate infrastructure to support and attract investment, another suffering from congestion and soaring housing prices. In order to address these problems, the legislature intends to use resources strategically to build on our state's strengths while addressing threats to our prosperity." [1999 c 311 § 1.]

Part headings and subheadings not law -- 1999 c 311: "Part headings and subheadings used in this act are not any part of the law." [1999 c 311 § 601.]

Effective date -- 1999 c 311: "Sections 1, 101, 201, 301 through 305, 401, 402, 601, and 605 of this act take effect August 1, 1999." [1999 c 311 § 604.]
Severability -- 1999 c 311: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1999 c 311 § 606.]

Intent -- 1997 c 366: "The legislature recognizes the economic hardship that rural distressed areas throughout the state have undergone in recent years. Numerous rural distressed areas across the state have encountered serious economic downturns resulting in significant job loss and business failure. In 1991 the legislature enacted two major pieces of legislation to promote economic development and job creation, with particular emphasis on worker training, income, and emergency services support, along with community revitalization through planning services and infrastructure assistance. However even though these programs have been of assistance, rural distressed areas still face serious economic problems including: Above-average unemployment rates from job losses and below-average employment growth; low rate of business start-ups; and persistent erosion of vitally important resource-driven industries.

The legislature also recognizes that rural distressed areas in Washington have an abiding ability and consistent will to overcome these economic obstacles by building upon their historic foundations of business enterprise, local leadership, and outstanding work ethic.

The legislature intends to assist rural distressed areas in their ongoing efforts to address these difficult economic problems by providing a comprehensive and significant array of economic tools, necessary to harness the persistent and undaunted spirit of enterprise that resides in the citizens of rural distressed areas throughout the state.

The further intent of this act is to provide:

(1) A strategically designed plan of assistance, emphasizing state, local, and private sector leadership and partnership;

(2) A comprehensive and significant array of business assistance, services, and tax incentives that are accountable and performance driven;

(3) An array of community assistance including infrastructure development and business retention, attraction, and expansion programs that will provide a competitive advantage to rural distressed areas throughout Washington; and

(4) Regulatory relief to reduce and streamline zoning, permitting, and regulatory requirements in order to enhance the capability of businesses to grow and prosper in rural distressed areas." [1997 c 366 § 1.]

Goals -- 1997 c 366: "The primary goals of chapter 366, Laws of 1997 are to:

(1) Promote the ongoing operation of business in rural distressed areas;

(2) Promote the expansion of existing businesses in rural distressed areas;

(3) Attract new businesses to rural distressed areas;

(4) Assist in the development of new businesses from within rural distressed areas;
(5) Provide family wage jobs to the citizens of rural distressed areas; and

(6) Promote the development of communities of excellence in rural distressed areas." [1997 c 366 § 2.]

**Severability -- 1997 c 366:** "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1997 c 366 § 11.]

**Captions and part headings not law -- 1997 c 366:** "Section captions and part headings used in this act are not any part of the law." [1997 c 366 § 12.]