

Chapter 36.100 RCW
PUBLIC FACILITIES DISTRICTS

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RCW 36.100.010 Public facilities districts—Creation—Approval of taxes by election—Corporate powers—Property transfer—Agreements.

(1) One or more public facilities districts may be created in any county and must be coextensive with the boundaries of the county.

(2) A public facilities district is created upon adoption of a resolution providing for the creation of such a district by the county legislative authority in which the proposed district is located.

(3) A public facilities district is a municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

(4) Except as provided in RCW 36.100.040 (4) and (5), no taxes authorized under this chapter may be assessed or levied unless a majority of the voters of the public facilities district has approved such tax at a general or special election. A single ballot proposition may both validate the imposition of the sales and use tax under RCW 82.14.048 and the excise tax under RCW 36.100.040(1).

(5) (a) A public facilities district constitutes a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, including contracts with public and private parties, to acquire, own, sell, transfer, lease, and otherwise acquire or dispose of property, to grant concessions under terms approved by the public facilities district, and to sue and be sued.

(b) A public facilities district created by a county with a population of one million five hundred thousand or more to acquire, own, and operate a convention and trade center transferred from a public nonprofit corporation may continue to contract with the Seattle-King county convention and visitors' bureau or its successor in interest for marketing the convention and trade center facility and services.

(6) A public facilities district may enter into contracts with a county for the purpose of exercising any powers of a community renewal agency under chapter 35.81 RCW.

(7) The legislative authority of a city or county, the board of directors of a public nonprofit corporation, or the state of Washington may transfer property to a public facilities district created under this chapter, with or without consideration. No property that is encumbered with debt or that is in need of major capital renovation may be transferred to the district without the agreement of the district and revenues adequate to retire the existing indebtedness.

(8) A public facilities district may enter into agreements with the state, any municipal corporation, or any other governmental entity for the design, financing, acquisition, development, construction, reconstruction, lease, remodeling, alteration, maintenance, equipping, reequipping, repair, operation, or management of one or more facilities of the parties thereto. Agreements may provide that any party to the contract designs, finances, acquires, develops, constructs, reconstructs, remodels, alters, maintains, equips, reequips, repairs, and operates one or more facilities for the other party or parties to the contract. A public facilities district may enter into an agreement with the state, any municipal corporation, or other public or private entity that will assist a public facilities

district in the financing of all or any part of a district facility on such terms as may be determined by agreement between the respective parties, including without limitation by a loan, guaranty, or other financing agreement. [2010 1st sp.s. c 15 s 2; 2002 c 218 s 26; 1995 3rd sp.s. c 1 s 301; 1995 1st sp.s. c 14 s 1; 1995 c 396 s 1; 1989 1st ex.s. c 8 s 1; 1988 ex.s. c 1 s 11.]

Findings—Intent—2010 1st sp.s. c 15: "(1) The legislature finds that conventions and trade shows provide both direct and indirect civic and economic benefits. It is the intent of the legislature to provide for the transfer of the governance and financing of the state convention and trade center to a public facilities district formed by a county with a population of one million five hundred thousand or more to acquire, own, and operate the convention and trade center. The legislature also intends to replace, in connection with such transfer, the authority under chapter 67.40 RCW of the state and city to impose excise taxes on the sale of or charge made for the furnishing of lodging to fund the state convention and trade center with authority for the public facilities district to impose lodging taxes at these rates, without affecting the existing authority of the state, county, cities, and other municipal corporations to impose taxes on the sale or charge made for the furnishing of lodging under existing caps on the aggregate rate that may be charged.

(2) The legislature further finds that the location of the convention and trade center particularly benefits and increases the occupancy of larger hotels and other lodging facilities in the city in which it is located and to a lesser extent in the remainder of the county in which it is located. The legislature finds that imposing excise taxes on the sale of or charge made for the furnishing of lodging at the rates authorized in section 5 of this act is an appropriate method of paying for the cost of acquiring, constructing, owning, remodeling, maintaining, equipping, reequipping, repairing, altering, and operating a convention and trade center." [2010 1st sp.s. c 15 s 1.]

Construction—2010 1st sp.s. c 15: "The provisions of *this chapter must be liberally construed to effect the policies and purposes of *this chapter." [2010 1st sp.s. c 15 s 20.]

***Reviser's note:** The reference to "this chapter" appears to be erroneous. Reference to chapter 36.100 RCW was apparently intended.

Severability—Savings—Construction—2002 c 218: See notes following RCW 35.81.005.

Part headings not law—Effective date—1995 3rd sp.s. c 1: See notes following RCW 82.14.0485.

Severability—1995 1st sp.s. c 14: "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." [1995 1st sp.s. c 14 s 12.]

Effective dates—1995 1st sp.s. c 14: "(1) Sections 1 through 9 and 11 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government

and its existing public institutions, and shall take effect July 1, 1995.

(2) Sections 10 and 12 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately [June 14, 1995]." [1995 1st sp.s. c 14 s 13.]

Severability—1995 c 396: "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." [1995 c 396 s 19.]

RCW 36.100.020 Governance—Board of directors. (1)(a) A public facilities district must be governed by a board of directors consisting of five, seven, or nine members as provided in this section.

(b) If the largest city in the county has a population that is at least forty percent of the total county population, the board of directors of the public facilities district must consist of five members selected as follows:

(i) Two members appointed by the county legislative authority to serve for four-year staggered terms;

(ii) Two members appointed by the city council of the largest city in the county to serve for four-year staggered terms; and

(iii) One person to serve for a four-year term who is selected by the other directors.

(c)(i) Except as provided in (c)(ii) of this subsection (1), if the largest city in the county has a population of less than forty percent of the total county population, the county legislative authority must establish in the resolution creating the public facilities district whether the board of directors of the public facilities district has either five or seven members, and the county legislative authority must appoint the members of the board of directors to reflect the interests of cities and towns in the county, as well as the unincorporated area of the county.

(ii) However, if the county has a population of one million five hundred thousand or more, the largest city in the county has a population of less than forty percent of the total county population, and the county operates under a county charter, which provides for an elected county executive, the members of the board of directors must be appointed as follows:

(A) If the public facilities district is created to construct a baseball stadium as defined in RCW 82.14.0485, three members must be appointed by the governor and the remaining members must be appointed by the county executive subject to confirmation by the county legislative authority. Of the members appointed by the governor, the speaker of the house of representatives and the majority leader of the senate must each recommend to the governor a person to be appointed to the board; and

(B) If the public facilities district is created to acquire, own, and operate a convention and trade center, following the expiration of the terms of the initial board of directors, three members must be appointed by the governor, three members must be nominated by the county executive subject to confirmation by the county legislative

authority, and three members must be nominated by the mayor of the city in which the convention and trade center is located subject to confirmation by the city legislative authority. Members of the board of directors may not be members of the legislative authority of the county or any city within the county.

(d) The initial board of directors of a public facilities district created in a county of one million five hundred thousand or more to acquire, own, and operate a convention and trade center must be comprised of the nine members of the board of the public nonprofit corporation that transfers the convention and trade center to the public facilities district under RCW 36.100.230. The governor must designate which of the initial board members must serve two-year terms and which must serve four-year terms and identify the board positions to which successors to initial directors are to be appointed by the county and the city.

(2) At least one member on the board of directors must be representative of the lodging industry in the public facilities district before the public facilities district imposes the excise tax under RCW 36.100.040(1). Of the members of the board of directors of a public facilities district created in a county of one million five hundred thousand or more to acquire, own, and operate a convention and trade center, one of the governor's appointments and one of the county's appointments must be representative of the lodging industry in the public facilities district and one of the city's appointments must be representative of organized labor, except that these requirements do not apply to the initial board of such district.

(3) Members of the board of directors must serve four-year terms of office, except that two of the initial five board members, three of the initial seven board members, and four of the initial nine board members must serve two-year terms of office.

(4) A vacancy must be filled in the same manner as the original appointment was made and the person appointed to fill a vacancy must serve for the remainder of the unexpired term of the office for the position to which he or she was appointed.

(5) Any director may be removed from office by the person or entity that appointed or confirmed such director for any reason or for no reason as follows: A director appointed by the governor may be removed from office by the governor; and any director confirmed by a city or county legislative authority may be removed from office by action of at least two-thirds of the members of the legislative authority that confirmed the director. [2010 1st sp.s. c 15 s 3; 1995 3rd sp.s. c 1 s 302; 1995 1st sp.s. c 14 s 2; 1995 c 396 s 2; 1989 1st ex.s. c 8 s 2; 1988 ex.s. c 1 s 12.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

Part headings not law—Effective date—1995 3rd sp.s. c 1: See notes following RCW 82.14.0485.

Severability—Effective dates—1995 1st sp.s. c 14: See notes following RCW 36.100.010.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.025 Independent financial feasibility review—When required—Public document. (1) An independent financial feasibility review under this section is required to be performed prior to any of the following events:

(a) The formation of a public facilities district under this chapter;

(b) The issuance of any indebtedness, excluding the issuance of obligations to refund or replace such indebtedness, by a public facilities district under this chapter; or

(c) The long-term lease, purchase, or development of a facility under this chapter.

(2) The independent financial feasibility review required by this section must be conducted by the department of commerce through the municipal research and services center under RCW 43.110.030 or under a contract with another entity under the authority of RCW 43.110.080. The review must examine the potential costs to be incurred by the public facility [facilities] district and the adequacy of revenues or expected revenues to meet those costs. The cost of the independent financial feasibility review must be borne by the public facility [facilities] district or the local government proposing to form a public facility [facilities] district.

(3) The independent financial feasibility review, upon completion, must be a public document and must be submitted to the governor, the state treasurer, the state auditor, the public facility [facilities] district and participating local political subdivisions, and appropriate committees of the legislature. [2012 c 4 s 2.]

RCW 36.100.027 Statutorily authorized taxing authority. After June 7, 2012, the statutorily authorized taxing authority of a public facility [facilities] district may not be restricted in any manner by the forming jurisdiction or jurisdictions or by any action of the public facility [facilities] district. [2012 c 4 s 4.]

RCW 36.100.030 Facilities—Agreements—Fees. (1) A public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, and operate (a) sports facilities, entertainment facilities, convention facilities, including without limitation any convention and trade center transferred from a public nonprofit corporation under RCW 36.100.230(1), or regional centers as defined in RCW 35.57.020, and (b) for districts formed after January 1, 2000, recreational facilities other than ski areas, together with contiguous parking facilities. The taxes that are provided for in this chapter may only be imposed for these purposes, including without limitation implementing any redemption, prepayment, or legal defeasance of outstanding obligations under RCW 36.100.230(3)(a).

(2) A public facilities district may enter into agreements under chapter 39.34 RCW for the design, financing, acquisition, development, construction, reconstruction, lease, remodeling, alteration, maintenance, equipping, reequipping, repair, operation, or management of such facilities and may enter into contracts under chapter 39.34 RCW where any party to the contract provides and operates such facilities for the other party or parties to the contract. A public facilities district may enter into agreements under chapter 39.34 RCW that will assist a public facilities district in the financing of all

or any part of a district facility on such terms as may be determined by agreement between the respective parties, including without limitation by a loan, guaranty, or other financing agreement.

(3) Notwithstanding the establishment of a career, civil, or merit service system, a public facilities district may contract with a public or private entity for the operation or management of its public facilities.

(4) A public facilities district is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any of its public facilities.

(5) A public facilities district may impose charges and fees for the use of its facilities, and may accept and expend or use gifts, grants, and donations. [2010 1st sp.s. c 15 s 4; 2003 c 376 s 1; 1999 c 165 s 16; 1995 1st sp.s. c 14 s 3; 1995 c 396 s 3; 1989 1st ex.s. c 8 s 3; 1988 ex.s. c 1 s 13.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

Severability—Effective dates—1995 1st sp.s. c 14: See notes following RCW 36.100.010.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.035 Additional powers and restrictions on district that constructs baseball stadium. In addition to other powers and restrictions on a public facilities district, the following shall apply to a public facilities district, located in a county with a population of one million or more, that constructs a baseball stadium:

(1) The public facilities district, in consultation with the professional baseball team that will use the stadium, shall have the authority to determine the stadium site;

(2) The public facilities district, in consultation with the professional baseball team that will use the stadium, shall have the authority to establish the overall scope of the stadium project, including, but not limited to, the stadium itself, associated parking facilities, associated retail and office development that are part of the stadium facility, and ancillary services or facilities;

(3) The public facilities district, in consultation with the professional baseball team that will use the stadium, shall have the final authority to make the final determination of the stadium design and specifications;

(4) The public facilities district shall have the authority to contract with the baseball team that will use the stadium to obtain architectural, engineering, environmental, and other professional services related to the stadium site and design options, environmental study requirements, and obtaining necessary permits for the stadium facility;

(5) The public facilities district, in consultation with the professional baseball team that will use the stadium, shall have the authority to establish the project budget and bidding specifications and requirements on the stadium project;

(6) The public facilities district, in consultation with the professional baseball team that will use the stadium and the county in which the public facilities district is located, shall have the authority to structure the financing of the stadium facility project; and

(7) The public facilities district shall consult with the house of representatives executive rules committee and the senate facilities and operations committee before selecting a name for the stadium.

As used in this section, "stadium" and "baseball stadium" mean a "baseball stadium" as defined in RCW 82.14.0485. [1995 3rd sp.s. c 1 s 303.]

Part headings not law—Effective date—1995 3rd sp.s. c 1: See notes following RCW 82.14.0485.

RCW 36.100.036 Donated moneys for baseball stadium. A public facilities district may accept and expend moneys that may be donated for the purpose of a baseball stadium as defined in RCW 82.14.0485. [1995 3rd sp.s. c 1 s 304.]

Part headings not law—Effective date—1995 3rd sp.s. c 1: See notes following RCW 82.14.0485.

RCW 36.100.037 Baseball stadium construction agreement. The public facilities district, the county, and the city with the largest population in the county shall enter into an agreement regarding the construction of a baseball stadium as defined in RCW 82.14.0485. The agreement shall address, but not be limited to:

(1) Expedited permit processing for the design and construction of the project;

(2) Expedited environmental review processing;

(3) Expedited processing of requests for street, right-of-way, or easement vacations necessary for the construction of the project; and

(4) Other items deemed necessary for the design and construction of the project. [1995 3rd sp.s. c 1 s 308.]

Part headings not law—Effective date—1995 3rd sp.s. c 1: See notes following RCW 82.14.0485.

RCW 36.100.040 Lodging tax authorized—Annual payment amount—Payment of obligations—Application of other tax provisions.

(Effective until July 1, 2035.) (1) A public facilities district may impose an excise tax on the sale of or charge made for the furnishing of lodging that is subject to tax under chapter 82.08 RCW, except that no such tax may be levied on any premises having fewer than 40 lodging units. Except for any tax imposed under subsection (4) or (5) of this section, if a public facilities district has not imposed such an excise tax prior to December 31, 1995, the public facilities district may only impose the excise tax if a ballot proposition authorizing the imposition of the tax has been approved by a simple majority vote of voters of the public facilities district voting on the proposition.

(2) The rate of the tax may not exceed two percent and the proceeds of the tax may only be used for the acquisition, design,

construction, remodeling, maintenance, equipping, reequipping, repairing, and operation of its public facilities. This excise tax may not be imposed until the district has approved the proposal to acquire, design, and construct the public facilities.

(3) Except for a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, and operating a convention and trade center, a public facilities district may not impose the tax authorized in this section if, after the tax authorized in this section was imposed, the effective combined rate of state and local excise taxes, including sales and use taxes and excise taxes on lodging, imposed on the sale of or charge made for furnishing of lodging in any jurisdiction in the public facilities district exceeds eleven and one-half percent.

(4)(a) To replace the tax authorized by *RCW 67.40.090, a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, operating, renovating, and expanding a convention and trade center may impose an excise tax on the sale of or charge made for the furnishing of lodging (including but not limited to any short-term rental) that is subject to tax under chapter 82.08 RCW, except that no such tax may be levied on:

(i) Any premises:

(A) Having fewer than 60 lodging units if the premises is located in a town with a population less than three hundred; or

(B) Classified as a hostel;

(ii) Any lodging that is concurrently subject to a tax on engaging in the business of being a short-term rental operator imposed by a city in which a convention and trade center is located; or

(iii) Any lodging that is operated by a university health care system exclusively for family members of patients.

(b) The rate of the tax may not exceed seven percent within the portion of the district that corresponds to the boundaries of the largest city within the public facilities district and may not exceed 2.8 percent in the remainder of the district. The tax imposed under this subsection (4) may not be collected prior to the transfer date defined in RCW 36.100.230.

(5) To replace the tax authorized by *RCW 67.40.130, a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, operating, renovating, and expanding a convention and trade center may impose an additional excise tax on the sale of or charge made for the furnishing of lodging (including but not limited to any short-term rental) that is subject to tax under chapter 82.08 RCW, except that no such tax may be levied on any premises: (a) Having fewer than sixty lodging units if the premises is located in a town with a population less than three hundred; or (b) classified as a hostel. The rate of the additional excise tax may not exceed two percent and may be imposed only within the portion of the district that corresponds to the boundaries of the largest city within the public facilities district and may not be imposed in the remainder of the district. The tax imposed under this subsection (5) may not be collected prior to the transfer date specified in RCW 36.100.230. The tax imposed under this subsection (5) must be credited against the amount of the tax otherwise due to the state from those same taxpayers under chapter 82.08 RCW. The tax under this subsection (5) may be imposed only for the purpose of paying or securing the payment of the

principal of and interest on obligations issued or incurred by the public facilities district and paying annual payment amounts to the state under subsection (6)(a) of this section. The authority to impose the additional excise tax under this subsection (5) expires on the date that is the earlier of (i) July 1, 2029, or (ii) the date on which all obligations issued or incurred by the public facilities district to implement any redemption, prepayment, or legal defeasance of outstanding obligations under RCW 36.100.230(3)(a) are no longer outstanding.

(6)(a) Commencing with the first full fiscal year of the state after the transfer date defined in RCW 36.100.230 and for so long as a public facilities district imposes a tax under subsection (5) of this section, the public facilities district must transfer to the state of Washington on June 30th of each state fiscal year an annual payment amount.

(b) For the purposes of this subsection (6), "annual payment amount" means an amount equal to revenues received by the public facilities district in the fiscal year from the additional excise tax imposed under subsection (5) of this section plus an interest charge calculated on one-half the annual payment amount times an interest rate equal to the average annual rate of return for the prior calendar year in the Washington state local government investment pool created in chapter 43.250 RCW.

(c)(i) If the public facilities district in any fiscal year is required to apply additional lodging excise tax revenues to the payment of principal and interest on obligations it issues or incurs, and the public facilities district is unable to pay all or any portion of the annual payment amount to the state, the deficiency is deemed to be a loan from the state to the public facilities district for the purpose of assisting the district in paying such principal and interest and must be repaid by the public facilities district to the state after providing for the payment of the principal of and interest on obligations issued or incurred by the public facilities district, all on terms established by an agreement between the state treasurer and the public facilities district executed prior to the transfer date. Any agreement between the state treasurer and the public facilities district must specify the term for the repayment of the deficiency in the annual payment amount with an interest rate equal to the twenty bond general obligation bond buyer index plus one percentage point.

(ii) Outstanding obligations to repay any loans deemed to have been made to the public facilities district as provided in any such agreements between the state treasurer and the public facilities district survive the expiration of the additional excise tax under subsection (5) of this section.

(iii) For the purposes of this subsection (6)(c), "additional lodging excise tax revenues" mean the tax revenues received by the public facilities district under subsection (5) of this section.

(7) A public facilities district is authorized to pledge any of its revenues, including without limitation revenues from the taxes authorized in this section, to pay or secure the payment of obligations issued or incurred by the public facilities district, subject to the terms established by the board of directors of the public facilities district. So long as a pledge of the taxes authorized under this section is in effect, the legislature may not withdraw or modify the authority to levy and collect the taxes at the rates permitted under this section and may not increase the annual

payment amount to be transferred to the state under subsection (6) of this section.

(8) The department of revenue must perform the collection of such taxes on behalf of the public facilities district at no cost to the district, and the state treasurer must distribute those taxes as available on a monthly basis to the district or, upon the direction of the district, to a fiscal agent, paying agent, or trustee for obligations issued or incurred by the district.

(9) Except as expressly provided in this chapter, all of the provisions contained in RCW 82.08.050 and 82.08.060 and chapter 82.32 RCW have full force and application with respect to taxes imposed under the provisions of this section.

(10) In determining the effective combined rate of tax for purposes of the limit in subsection (3) of this section, the tax rate under RCW 82.14.530 is not included.

(11) The taxes imposed in this section do not apply to sales of temporary medical housing exempt under RCW 82.08.997.

(12) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Community-initiated equitable development" means strategic capacity-building and capital investments that are determined and directed by communities who have experienced significant historical and ongoing social and economic vulnerabilities with the purpose to offset disparities, prevent or reduce displacement, address marginalization, and improve access to opportunities, resources, and outcomes.

(b)(i) "Hostel" means a structure or facility where a majority of the rooms for sleeping accommodations are hostel dormitories containing a minimum of four standard beds designed for single-person occupancy within the facility. Hostel accommodations are supervised and must include at least one common area and at least one common kitchen for guest use.

(ii) For the purpose of this subsection (12)(b), "hostel dormitory" means a single room, containing four or more standard beds designed for single-person occupancy, used exclusively as nonprivate communal sleeping quarters, generally for unrelated persons, where such persons independently acquire the right to occupy individual beds, with the operator supervising and determining which bed each person will occupy.

(c) "Short-term rental" means a lodging use, that is not a hotel or motel, in which a dwelling unit, or portion thereof, that is offered or provided to a guest or guests by a short-term rental operator for a fee for fewer than thirty consecutive nights. The term "short-term rental" does not include:

(i) A dwelling unit, or portion thereof, that is used by the same person for thirty or more consecutive nights; and

(ii) A dwelling unit, or portion thereof, that is operated by an organization or government entity that is registered as a charitable organization with the secretary of state, state of Washington, and/or is classified by the federal internal revenue service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease and/or their family members.

(13) Taxes authorized under subsections (4) and (5) of this section are deemed to have been imposed on December 1, 2000, for the purposes of RCW 82.14.410.

(14)(a) Beginning on the date that the condition in (b) of this subsection is satisfied, a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, operating, renovating, and expanding a convention and trade center must make quarterly payments from tax revenue collected by a public facilities district as a result of the tax imposed in chapter 245, Laws of 2018 to a city in which the convention and trade center is located that has authorized on or before December 31, 2017, a tax on engaging in the business of being a short-term rental operator. Such payments must be made no more than thirty days after the last day of each fiscal quarter and must equal the portion of the revenues received by the public facilities district during such fiscal quarter from the lodging taxes authorized under subsection (4) of this section that are determined by the department of revenue to be derived from the short-term rental activity within such city.

(b) The public facilities district is not required to make any payments under this subsection (14) unless the city has repealed any ordinance authorizing a tax on engaging in the business of being a short-term rental operator.

(c) The public facilities district is not required to make any payments to a city under this subsection (14), if the city, after satisfying the condition in (b) of this subsection imposes any tax specifically on the act of engaging in the business of being a short-term rental operator.

(d) The proceeds of any payments made by a public facilities district to a city under this subsection (14) must be used by the city to support community-initiated equitable development and affordable housing programs, as determined by the city in its sole discretion.

(15) 50 percent of any tax revenue collected by a public facilities district as a result of the tax imposed in chapter 245, Laws of 2018 must be distributed by the public facilities district to the county in which the convention and trade center is located. However, if a city has satisfied the condition in subsection (14)(b) of this section, payments made under this subsection to the county in which the convention and trade center is located must be calculated after deducting any payments made to a city under subsection (14) of this section from the total tax revenue received by the public facilities district as a result of the enactment of chapter 245, Laws of 2018. The proceeds of such payments to a county under this subsection (15) must be used by the county to support community-initiated equitable development and affordable housing programs, as determined by the county, in its sole discretion. [2025 c 376 s 1; 2018 c 245 s 2; 2015 3rd sp.s. c 24 s 702; 2015 c 151 s 1; 2010 1st sp.s. c 15 s 5; 2008 c 137 s 5; 2002 c 178 s 5; 1995 c 396 s 4; 1989 1st ex.s. c 8 s 4; 1988 ex.s. c 1 s 14.]

***Reviser's note:** RCW 67.40.090 and 67.40.130 were repealed by 2010 1st sp.s. c 15 s 14, effective November 30, 2010.

Expiration date—2025 c 376: "This act expires July 1, 2035."
[2025 c 376 s 2.]

Effective date—2018 c 245: "This act takes effect October 1, 2018." [2018 c 245 s 3.]

Findings—Intent—2018 c 245: "(1) The legislature finds that it is in the public interest that taxation of lodging not distort the market for different types of lodging and that all types of lodging participate in the funding of the public benefits supported with lodging tax revenue.

(2) The legislature further finds that, with respect to the lodging taxes levied under RCW 36.100.040 (4) and (5), the current significant disparity in the taxation of sales of lodging on premises having fewer than sixty lodging units compared to premises having sixty or more units is contrary to the public interest in both equitable taxation and adequately supporting the public benefits funded by lodging tax revenue.

(3) It is the intent of this act to equalize the taxation levied under RCW 36.100.040 (4) and (5) by applying it to all lodging, regardless of the number of lodging units in premises subject to such taxation." [2018 c 245 s 1.]

Construction—2015 3rd sp.s. c 24: See note following RCW 36.160.030.

Effective date—2015 c 151: "This act takes effect August 1, 2015." [2015 c 151 s 2.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

Effective date—2008 c 137: See note following RCW 82.08.997.

Retroactive application—Effective date—2002 c 178: See notes following RCW 67.28.180.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.040 Lodging tax authorized—Annual payment amount—Payment of obligations—Application of other tax provisions.

(Effective July 1, 2035.) (1) A public facilities district may impose an excise tax on the sale of or charge made for the furnishing of lodging that is subject to tax under chapter 82.08 RCW, except that no such tax may be levied on any premises having fewer than forty lodging units. Except for any tax imposed under subsection (4) or (5) of this section, if a public facilities district has not imposed such an excise tax prior to December 31, 1995, the public facilities district may only impose the excise tax if a ballot proposition authorizing the imposition of the tax has been approved by a simple majority vote of voters of the public facilities district voting on the proposition.

(2) The rate of the tax may not exceed two percent and the proceeds of the tax may only be used for the acquisition, design, construction, remodeling, maintenance, equipping, reequipping, repairing, and operation of its public facilities. This excise tax may not be imposed until the district has approved the proposal to acquire, design, and construct the public facilities.

(3) Except for a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, and operating a convention and trade center, a public facilities district may not impose the tax

authorized in this section if, after the tax authorized in this section was imposed, the effective combined rate of state and local excise taxes, including sales and use taxes and excise taxes on lodging, imposed on the sale of or charge made for furnishing of lodging in any jurisdiction in the public facilities district exceeds eleven and one-half percent.

(4) (a) To replace the tax authorized by *RCW 67.40.090, a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, operating, renovating, and expanding a convention and trade center may impose an excise tax on the sale of or charge made for the furnishing of lodging (including but not limited to any short-term rental) that is subject to tax under chapter 82.08 RCW, except that no such tax may be levied on:

(i) Any premises:

(A) Having fewer than sixty lodging units if the premises is located in a town with a population less than three hundred; or

(B) Classified as a hostel;

(ii) Any lodging that is concurrently subject to a tax on engaging in the business of being a short-term rental operator imposed by a city in which a convention and trade center is located; or

(iii) Any lodging that is operated by a university health care system exclusively for family members of patients.

(b) The rate of the tax may not exceed seven percent within the portion of the district that corresponds to the boundaries of the largest city within the public facilities district and may not exceed 2.8 percent in the remainder of the district. The tax imposed under this subsection (4) may not be collected prior to the transfer date defined in RCW 36.100.230.

(5) To replace the tax authorized by *RCW 67.40.130, a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, operating, renovating, and expanding a convention and trade center may impose an additional excise tax on the sale of or charge made for the furnishing of lodging (including but not limited to any short-term rental) that is subject to tax under chapter 82.08 RCW, except that no such tax may be levied on any premises: (a) Having fewer than sixty lodging units if the premises is located in a town with a population less than three hundred; or (b) classified as a hostel. The rate of the additional excise tax may not exceed two percent and may be imposed only within the portion of the district that corresponds to the boundaries of the largest city within the public facilities district and may not be imposed in the remainder of the district. The tax imposed under this subsection (5) may not be collected prior to the transfer date specified in RCW 36.100.230. The tax imposed under this subsection (5) must be credited against the amount of the tax otherwise due to the state from those same taxpayers under chapter 82.08 RCW. The tax under this subsection (5) may be imposed only for the purpose of paying or securing the payment of the principal of and interest on obligations issued or incurred by the public facilities district and paying annual payment amounts to the state under subsection (6) (a) of this section. The authority to impose the additional excise tax under this subsection (5) expires on the date that is the earlier of (i) July 1, 2029, or (ii) the date on which all obligations issued or incurred by the public facilities district to implement any redemption, prepayment, or legal defeasance

of outstanding obligations under RCW 36.100.230(3)(a) are no longer outstanding.

(6)(a) Commencing with the first full fiscal year of the state after the transfer date defined in RCW 36.100.230 and for so long as a public facilities district imposes a tax under subsection (5) of this section, the public facilities district must transfer to the state of Washington on June 30th of each state fiscal year an annual payment amount.

(b) For the purposes of this subsection (6), "annual payment amount" means an amount equal to revenues received by the public facilities district in the fiscal year from the additional excise tax imposed under subsection (5) of this section plus an interest charge calculated on one-half the annual payment amount times an interest rate equal to the average annual rate of return for the prior calendar year in the Washington state local government investment pool created in chapter 43.250 RCW.

(c)(i) If the public facilities district in any fiscal year is required to apply additional lodging excise tax revenues to the payment of principal and interest on obligations it issues or incurs, and the public facilities district is unable to pay all or any portion of the annual payment amount to the state, the deficiency is deemed to be a loan from the state to the public facilities district for the purpose of assisting the district in paying such principal and interest and must be repaid by the public facilities district to the state after providing for the payment of the principal of and interest on obligations issued or incurred by the public facilities district, all on terms established by an agreement between the state treasurer and the public facilities district executed prior to the transfer date. Any agreement between the state treasurer and the public facilities district must specify the term for the repayment of the deficiency in the annual payment amount with an interest rate equal to the twenty bond general obligation bond buyer index plus one percentage point.

(ii) Outstanding obligations to repay any loans deemed to have been made to the public facilities district as provided in any such agreements between the state treasurer and the public facilities district survive the expiration of the additional excise tax under subsection (5) of this section.

(iii) For the purposes of this subsection (6)(c), "additional lodging excise tax revenues" mean the tax revenues received by the public facilities district under subsection (5) of this section.

(7) A public facilities district is authorized to pledge any of its revenues, including without limitation revenues from the taxes authorized in this section, to pay or secure the payment of obligations issued or incurred by the public facilities district, subject to the terms established by the board of directors of the public facilities district. So long as a pledge of the taxes authorized under this section is in effect, the legislature may not withdraw or modify the authority to levy and collect the taxes at the rates permitted under this section and may not increase the annual payment amount to be transferred to the state under subsection (6) of this section.

(8) The department of revenue must perform the collection of such taxes on behalf of the public facilities district at no cost to the district, and the state treasurer must distribute those taxes as available on a monthly basis to the district or, upon the direction of

the district, to a fiscal agent, paying agent, or trustee for obligations issued or incurred by the district.

(9) Except as expressly provided in this chapter, all of the provisions contained in RCW 82.08.050 and 82.08.060 and chapter 82.32 RCW have full force and application with respect to taxes imposed under the provisions of this section.

(10) In determining the effective combined rate of tax for purposes of the limit in subsection (3) of this section, the tax rate under RCW 82.14.530 is not included.

(11) The taxes imposed in this section do not apply to sales of temporary medical housing exempt under RCW 82.08.997.

(12) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a)(i) "Hostel" means a structure or facility where a majority of the rooms for sleeping accommodations are hostel dormitories containing a minimum of four standard beds designed for single-person occupancy within the facility. Hostel accommodations are supervised and must include at least one common area and at least one common kitchen for guest use.

(ii) For the purpose of this subsection (12)(a), "hostel dormitory" means a single room, containing four or more standard beds designed for single-person occupancy, used exclusively as nonprivate communal sleeping quarters, generally for unrelated persons, where such persons independently acquire the right to occupy individual beds, with the operator supervising and determining which bed each person will occupy.

(b) "Short-term rental" means a lodging use, that is not a hotel or motel, in which a dwelling unit, or portion thereof, that is offered or provided to a guest or guests by a short-term rental operator for a fee for fewer than thirty consecutive nights. The term "short-term rental" does not include:

(i) A dwelling unit, or portion thereof, that is used by the same person for thirty or more consecutive nights; and

(ii) A dwelling unit, or portion thereof, that is operated by an organization or government entity that is registered as a charitable organization with the secretary of state, state of Washington, and/or is classified by the federal internal revenue service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease and/or their family members.

(13) Taxes authorized under subsections (4) and (5) of this section are deemed to have been imposed on December 1, 2000, for the purposes of RCW 82.14.410.

(14)(a) Beginning on the date that the condition in (b) of this subsection is satisfied, a public facilities district created within a county with a population of one million five hundred thousand or more for the purpose of acquiring, owning, operating, renovating, and expanding a convention and trade center must make quarterly payments from tax revenue collected by a public facilities district as a result of the tax imposed in chapter 245, Laws of 2018 to a city in which the convention and trade center is located that has authorized on or before December 31, 2017, a tax on engaging in the business of being a short-term rental operator. Such payments must be made no more than thirty days after the last day of each fiscal quarter and must equal the portion of the revenues received by the public facilities district during such fiscal quarter from the lodging taxes authorized under subsection (4) of this section that are determined by the department

of revenue to be derived from the short-term rental activity within such city.

(b) The public facilities district is not required to make any payments under this subsection (14) unless the city has repealed any ordinance authorizing a tax on engaging in the business of being a short-term rental operator.

(c) The public facilities district is not required to make any payments to a city under this subsection (14), if the city, after satisfying the condition in (b) of this subsection imposes any tax specifically on the act of engaging in the business of being a short-term rental operator.

(d) The proceeds of any payments made by a public facilities district to a city under this subsection (14) must be used by the city to support community-initiated equitable development and affordable housing programs, as determined by the city in its sole discretion.

(15) Fifty percent of any tax revenue collected by a public facilities district as a result of the tax imposed in chapter 245, Laws of 2018 must be distributed by the public facilities district to the county in which the convention and trade center is located. However, if a city has satisfied the condition in subsection (14) (b) of this section, payments made under this subsection to the county in which the convention and trade center is located must be calculated after deducting any payments made to a city under subsection (14) of this section from the total tax revenue received by the public facilities district as a result of the enactment of chapter 245, Laws of 2018. The proceeds of such payments to a county under this subsection (15) must be used by the county to support affordable housing programs, as determined by the county, in its sole discretion. [2018 c 245 s 2; 2015 3rd sp.s. c 24 s 702; 2015 c 151 s 1; 2010 1st sp.s. c 15 s 5; 2008 c 137 s 5; 2002 c 178 s 5; 1995 c 396 s 4; 1989 1st ex.s. c 8 s 4; 1988 ex.s. c 1 s 14.]

***Reviser's note:** RCW 67.40.090 and 67.40.130 were repealed by 2010 1st sp.s. c 15 s 14, effective November 30, 2010.

Effective date—2018 c 245: "This act takes effect October 1, 2018." [2018 c 245 s 3.]

Findings—Intent—2018 c 245: "(1) The legislature finds that it is in the public interest that taxation of lodging not distort the market for different types of lodging and that all types of lodging participate in the funding of the public benefits supported with lodging tax revenue.

(2) The legislature further finds that, with respect to the lodging taxes levied under RCW 36.100.040 (4) and (5), the current significant disparity in the taxation of sales of lodging on premises having fewer than sixty lodging units compared to premises having sixty or more units is contrary to the public interest in both equitable taxation and adequately supporting the public benefits funded by lodging tax revenue.

(3) It is the intent of this act to equalize the taxation levied under RCW 36.100.040 (4) and (5) by applying it to all lodging, regardless of the number of lodging units in premises subject to such taxation." [2018 c 245 s 1.]

Construction—2015 3rd sp.s. c 24: See note following RCW 36.160.030.

Effective date—2015 c 151: "This act takes effect August 1, 2015." [2015 c 151 s 2.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

Effective date—2008 c 137: See note following RCW 82.08.997.

Retroactive application—Effective date—2002 c 178: See notes following RCW 67.28.180.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.042 Lodging license fee or tax in excess of rate imposed on retail businesses prohibited. (1) Except as provided in chapters 35.101, 67.28, and 82.14 RCW, after January 1, 1983, no city, town, or county in which the tax under RCW 36.100.040 (4) and (5) is imposed may impose a license fee or tax on the act or privilege of engaging in business to furnish lodging by a hotel, rooming house, tourist court, motel, trailer camp, or similar facilities in excess of the rate imposed upon other persons engaged in the business of making sales at retail.

(2) For the purposes of this section, "sales at retail" has the same meaning as provided in RCW 82.04.050. [2010 1st sp.s. c 15 s 9.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

RCW 36.100.050 Ad valorem property tax. (1) A public facilities district may levy an ad valorem property tax, in excess of the one percent limitation, upon the property within the district for a one-year period to be used for operating or capital purposes whenever authorized by the voters of the district pursuant to RCW 84.52.052 and Article VII, section 2(a) of the state Constitution.

(2) A public facilities district may provide for the retirement of voter-approved general obligation bonds, issued for capital purposes only, by levying bond retirement ad valorem property tax levies, in excess of the one percent limitation, whenever authorized by the voters of the district pursuant to Article VII, section 2(b) of the state Constitution and RCW 84.52.056. [1988 ex.s. c 1 s 15.]

RCW 36.100.060 General obligation bonds—Termination, reauthorization of excise tax. (1) To carry out the purpose of this chapter, a public facilities district may issue general obligation bonds, not to exceed an amount, together with any outstanding nonvoter approved general obligation indebtedness, equal to one-half of one percent of the value of taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015. A public facilities district additionally may issue general obligation bonds for capital purposes only, together with any outstanding general obligation indebtedness, not to exceed an amount equal to one and one-fourth percent of the value of the taxable property within the district, as the term "value of taxable property" is defined in RCW

39.36.015, when authorized by the voters of the public facilities district pursuant to Article VIII, section 6 of the state Constitution, and to provide for the retirement thereof by excess property tax levies as provided in this chapter.

(2) General obligation bonds may be issued with a maturity of up to thirty years, and must be issued and sold in accordance with the provisions of chapter 39.46 RCW. If the public facilities district is formed by a county with a population of one million five hundred thousand or more to acquire, own, and operate a convention and trade center, general obligation bonds may be issued with a maturity of up to forty years, and must be issued and sold in accordance with the provisions of chapter 39.46 RCW. In addition to the powers vested in it under RCW 39.46.030, a public facilities district created by a county with a population of one million five hundred thousand or more to acquire, own, and operate a convention and trade center may appoint, and may specify the rights and duties of, trustees with respect to its bonds, and such trustees may receive, hold, disburse, invest, and reinvest funds on the district's behalf and for the protection of the district's bond owners.

(3) The general obligation bonds may be payable from the operating revenues of the public facilities district in addition to the tax receipts of the district.

(4) The excise tax imposed pursuant to RCW 36.100.040(1) terminates upon final payment of all bonded indebtedness for its public facilities, except that the excise tax may be reauthorized by a public vote, in the same manner as originally authorized, for funding of additional public facilities or a regional center. [2010 1st sp.s. c 15 s 6; 1999 c 165 s 15; 1995 1st sp.s. c 14 s 4; 1995 c 396 s 5; 1989 1st ex.s. c 8 s 5; 1988 ex.s. c 1 s 16.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

Severability—Effective dates—1995 1st sp.s. c 14: See notes following RCW 36.100.010.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.070 Acquisition and transfer of real and personal property. A public facilities district may acquire and transfer real and personal property by lease, sublease, purchase, or sale. [1988 ex.s. c 1 s 17.]

RCW 36.100.080 Direct or collateral attack barred after thirty days. No direct or collateral attack on any public facilities district purported to be authorized or created in conformance with this chapter may be commenced more than thirty days after creation by the county legislative authority. [1995 1st sp.s. c 14 s 5.]

Severability—Effective dates—1995 1st sp.s. c 14: See notes following RCW 36.100.010.

RCW 36.100.090 Tax deferral—New public facilities. (1) The governing board of a public facilities district may apply for deferral of taxes on the construction of buildings, site preparation, and the acquisition of related machinery and equipment for a new public facility. Application shall be made to the department of revenue in a form and manner prescribed by the department of revenue. The application shall contain information regarding the location of the public facility, estimated or actual costs, time schedules for completion and operation, and other information required by the department of revenue. The department of revenue shall approve the application within sixty days if it meets the requirements of this section.

(2) The department of revenue shall issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW on the public facility. The use of the certificate shall be governed by rules established by the department of revenue.

(3) The public facilities district shall begin paying the deferred taxes in the fifth year after the date certified by the department of revenue as the date on which the public facility is operationally complete. The first payment is due on December 31st of the fifth calendar year after such certified date, with subsequent annual payments due on December 31st of the following nine years. Each payment shall equal ten percent of the deferred tax.

(4) The department of revenue may authorize an accelerated repayment schedule upon request of the public facilities district.

(5) Interest shall not be charged on any taxes deferred under this section for the period of deferral, although all other penalties and interest applicable to delinquent excise taxes may be assessed and imposed for delinquent payments under this section. The debt for deferred taxes is not extinguished by insolvency or other failure of the public facilities district.

(6) Applications and any other information received by the department of revenue under this section are not confidential and are subject to disclosure. Chapter 82.32 RCW applies to the administration of this section.

(7) As used in this section, "public facility" means a baseball stadium with a retractable roof or canopy and natural turf. [1995 1st sp.s. c 14 s 6.]

Severability—Effective dates—1995 1st sp.s. c 14: See notes following RCW 36.100.010.

RCW 36.100.100 Ex officio treasurer. The treasurer of the county in which a public facilities district is located must be the ex officio treasurer of the district, unless the board of directors of a public facilities district created in a county of one million five hundred thousand or more designates by resolution another person having experience in financial or fiscal matters as the treasurer of the district. Such a treasurer possesses all of the powers, responsibilities, and duties of, and is subject to the same restrictions as provided by law for, a county treasurer with regard to district financial matters. Such treasurer must be bonded for not less than twenty-five thousand dollars. [2010 1st sp.s. c 15 s 7; 1995 c 396 s 7.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.110 Travel, expense reimbursement policy—Required.

The board of directors of the public facilities district shall adopt a resolution that may be amended from time to time that shall establish the basic requirements governing methods and amounts of reimbursement payable to such district officials and employees for travel and other business expenses incurred on behalf of the district. The resolution shall, among other things, establish procedures for approving such expenses; the form of the travel and expense voucher; and requirements governing the use of credit cards issued in the name of the district. The resolution may also establish procedures for payment of per diem to board members. The state auditor shall, as provided by general law, cooperate with the public facilities district in establishing adequate procedures for regulating and auditing the reimbursement of all such expenses. [1995 c 396 s 8.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.120 Travel, expense reimbursement policy—

Limitations. The board of directors of the public facilities district may authorize payment of actual and necessary expenses of officers and employees for lodging, meals, and travel-related costs incurred in attending meetings or conferences on behalf of the public facilities district and strictly in the public interest and for public purposes. Officers and employees may be advanced sufficient sums to cover their anticipated expenses in accordance with rules adopted by the state auditor, which shall substantially conform to the procedures provided in RCW 43.03.150 through 43.03.210. [1995 c 396 s 9.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.130 Board of directors—Compensation. Each member of the board of directors of the public facilities district may receive compensation of fifty dollars per day for attending meetings or conferences on behalf of the district, not to exceed three thousand dollars per year. A director may waive all or a portion of his or her compensation under this section as to a month or months during his or her term of office, by a written waiver filed with the public facilities district. The compensation provided in this section is in addition to reimbursement for expenses paid to the directors by the public facilities district. [1995 c 396 s 10.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.140 Liability insurance. The board of directors of the public facilities district may purchase liability insurance with such limits as the directors may deem reasonable for the purpose of protecting and holding personally harmless district officers and

employees against liability for personal or bodily injuries and property damage arising from their acts or omissions while performing or in good faith purporting to perform their official duties. [1995 c 396 s 11.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.150 Costs of defense. Whenever an action, claim, or proceeding is instituted against a person who is or was an officer or employee of the public facilities district arising out of the performance of duties for or employment with the district, the public facilities district may grant a request by the person that the attorney of the district's choosing be authorized to defend the claim, suit, or proceeding, and the costs of defense, attorneys' fees, and obligation for payments arising from the action may be paid from the district's funds. Costs of defense or judgment or settlement against the person shall not be paid in a case where the court has found that the person was not acting in good faith or within the scope of employment with or duties for the public facilities district. [1995 c 396 s 12.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.160 Expenditure of funds—Purposes. (1) The board of directors of the public facilities district shall have authority to authorize the expenditure of funds for the public purposes of preparing and distributing information to the general public and promoting, advertising, improving, developing, operating, and maintaining facilities of the district. For promotional activities the district board must: (a) Identify the proposed expenditure in its annual budget; and (b) adopt written rules governing promotional hosting by employees, agents, and the board, including requirements for identifying and evaluating the public benefits to be derived and documenting the public benefits realized.

(2) Nothing contained in this section may be construed to authorize preparation and distribution of information to the general public for the purpose of influencing the outcome of a district election. [2009 c 167 s 1; 1995 c 396 s 13.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.170 Employees—Benefits. The public facilities district shall have authority to create and fill positions, fix wages, salaries, and bonds therefor, pay costs involved in securing or arranging to secure employees, and establish benefits for employees, including holiday pay, vacations or vacation pay, retirement benefits, medical, life, accident, or health disability insurance, as approved by the board. Public facilities district board members, at their own expense, shall be entitled to medical, life, accident, or health disability insurance. Insurance for employees and board members shall not be considered compensation. District coverage for the board is not to exceed that provided public facilities district employees. [1995 c 396 s 14.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.180 Service provider agreements—Competitive solicitation process for personal service contracts of one hundred fifty thousand dollars or more—Exceptions. (1) The public facilities district may secure services by means of an agreement with a service provider. The public facilities district shall publish notice, establish criteria, receive and evaluate proposals, and negotiate with respondents under requirements set forth by district resolution.

(2) For personal service contracts of one hundred fifty thousand dollars or greater not otherwise governed by chapter 39.80 RCW, contracts for architectural and engineering services, a competitive solicitation process is required. The district shall establish the process by resolution, which must at a minimum include the following:

(a) Notice. A notice inviting statements of either qualifications or proposals, or both, from interested parties must be published in a newspaper of general circulation throughout the county in which the district is located at least ten days before the date for submitting the statements of qualifications or proposals.

(b) Description of services required. The request for statements of either qualifications or proposals, or both published or provided to interested parties must describe the services required and list the types of information and data required of each proposal. It may also describe the evaluation criteria and state the relative importance of the criteria if then available.

(c) Review and evaluation. The district shall establish a process to review and evaluate statements of either qualifications or proposals, or both. That process may include a selection board identified by the district or some other panel of evaluators. If appropriate, the reviewers may hear oral presentations by proposers.

(d) Selection. The evaluators shall select and rank the most qualified proposers. In selecting and ranking such proposers, the selection board shall consider the evaluation criteria established by the district and may consider such other information as may be secured during the evaluation process related to a proposer's qualifications and experience.

(e) Negotiations. The district shall enter into contract negotiations with the top-ranked proposer or proposers identified in the selection process. Negotiations may be conducted concurrently or sequentially as may be allowed by law.

(f) Approval. When negotiations are complete, the proposed contract will be presented to the district's governing body at its next regularly scheduled meeting for approval or ratification.

(3) Exceptions. The requirements of this section need not be met in the following circumstances:

(a) Emergency. When the contracting authority makes a finding that an emergency requires the immediate execution of the work involved. As used in this subsection, "emergency" has the same meaning as provided in *RCW 39.29.006;

(b) Contract amendment. Amendments to existing service contracts are exempt from these requirements; and

(c) Sole source. In the event that the services being sought can only be obtained from a single source, then the district shall make a formal written finding stating the factual basis for the exception and the solicitation requirements of this section do not apply. As used in

this subsection, "sole source" has the same meaning as provided in *RCW 39.29.006.

(4) Prospective application. Nothing in this section affects the validity or effect of any district contract executed prior to July 26, 2009. [2009 c 533 s 4; 1995 c 396 s 15.]

***Reviser's note:** RCW 39.29.006 was repealed by 2012 c 224 s 29, effective January 1, 2013.

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.190 Purchases and sales—Procedures. In addition to provisions contained in chapter 39.04 RCW, the public facilities district is authorized to follow procedures contained in chapter 39.26 RCW for all purchases, contracts for purchase, and sales. [2015 c 79 s 3; 1995 c 396 s 16.]

Severability—1995 c 396: See note following RCW 36.100.010.

RCW 36.100.200 Revenue bonds—Limitations. (1) A public facilities district may issue revenue bonds to fund revenue generating facilities, or portions of facilities, which it is authorized to provide or operate. Whenever revenue bonds are to be issued, the board of directors of the district shall create or have created a special fund or funds from which, along with any reserves created pursuant to RCW 39.44.140, the principal and interest on such revenue bonds shall exclusively be payable. The board may obligate the district to set aside and pay into the special fund or funds a fixed proportion or a fixed amount of the revenues from the public improvements, projects, or facilities, and all related additions, that are funded by the revenue bonds. This amount or proportion shall be a lien and charge against these revenues, subject only to operating and maintenance expenses. The board shall have due regard for the cost of operation and maintenance of the public improvements, projects, or facilities, or additions, that are funded by the revenue bonds, and shall not set aside into the special fund or funds a greater amount or proportion of the revenues that in its judgment will be available over and above the cost of maintenance and operation and the amount or proportion, if any, of the revenue so previously pledged. The board may also provide that revenue bonds payable out of the same source or sources of revenue may later be issued on a parity with any revenue bonds being issued and sold.

(2) Revenue bonds issued pursuant to this section shall not be an indebtedness of the district issuing the bonds, and the interest and principal on the bonds shall only be payable from the revenues lawfully pledged to meet the principal and interest requirements and any reserves created pursuant to RCW 39.44.140. The owner or bearer of a revenue bond or any interest coupon issued pursuant to this section shall not have any claim against the district arising from the bond or coupon except for payment from the revenues lawfully pledged to meet the principal and interest requirements and any reserves created pursuant to RCW 39.44.140. The substance of the limitations included in this subsection shall be plainly printed, written, or engraved on each bond issued pursuant to this section.

(3) Revenue bonds with a maturity in excess of thirty years shall not be issued. The board of directors of the district shall by resolution determine for each revenue bond issue the amount, date, form, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, and covenants including the refunding of existing revenue bonds. Facsimile signatures may be used on the bonds and any coupons. Refunding revenue bonds may be issued in the same manner as revenue bonds are issued. [1995 c 396 s 17.]

Severability—1995 c 396: See note following RCW 36.100.010.

Alternative authority to issue revenue bonds: RCW 39.46.150, 39.46.160.

Funds for reserve purposes may be included in issue amount: RCW 39.44.140.

RCW 36.100.205 Bonds issued are securities. Bonds issued under this chapter are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies in their commercial departments, savings banks, cooperative banks, banking associations, investment companies, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in obligations of the state may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds and other obligations of the state are now or may hereafter be authorized by law. [2010 1st sp.s. c 15 s 11.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

RCW 36.100.210 Tax on admissions. A public facility district may levy and fix a tax of not more than one cent on twenty cents or fraction thereof to be paid by the person who pays an admission charge to a regional center, as defined in RCW 35.57.020. This includes a tax on persons who are admitted free of charge or at reduced rates if other persons pay a charge or a regular higher charge for the same privileges or accommodations.

The term "admission charge" includes:

- (1) A charge made for season tickets or subscriptions;
- (2) A cover charge, or a charge made for use of seats and tables reserved or otherwise, and other similar accommodations;
- (3) A charge made for food and refreshment if free entertainment, recreation, or amusement is provided;
- (4) A charge made for rental or use of equipment or facilities for purposes of recreation or amusement; if the rental of the equipment or facilities is necessary to the enjoyment of a privilege

for which a general admission is charged, the combined charges shall be considered as the admission charge;

(5) Automobile parking charges if the amount of the charge is determined according to the number of passengers in the automobile. [1999 c 165 s 17.]

RCW 36.100.220 Tax on vehicle parking charges. (1) A public facility district may levy and fix a tax on any vehicle parking charges imposed at any parking facility that is owned or leased by the public facility district as part of a regional center, as defined in RCW 35.57.020, or a baseball stadium, as defined in RCW 82.14.0485. No county, city, or town within which the regional center or baseball stadium is located may impose a tax of the same or similar kind on any vehicle parking charges at the facility.

(2) For the purposes of this section, "vehicle parking charges" means only the actual parking charges exclusive of taxes and service charges and the value of any other benefit conferred.

(3) The tax authorized under this section must be at the rate of not more than ten percent. The tax authorized by this section with respect to a parking facility associated with a baseball stadium must be used exclusively to fund repair, reequipping, and capital improvement of the baseball stadium, and is not subject to the requirements of RCW 36.100.010(4). [2011 1st sp.s. c 38 s 3; 1999 c 165 s 18.]

RCW 36.100.230 Transfer of property, assets, and other interests from state convention and trade center public nonprofit to district—

Necessary actions. (1) On the transfer date the board of directors of a public nonprofit corporation formed under *RCW 67.40.020 that owns and operates a state convention and trade center must transfer all lands, facilities, equipment, assets, other interests in real, personal, and intangible property, and interests under contracts, leases, licenses, and agreements under the control of that board of directors to a public facilities district created as provided in RCW 36.100.010 by the county in which the convention and trade center is located pursuant to an agreement with the public facilities district, subject to the review and approval of the state treasurer.

(2) No real estate excise tax or other excise tax may be imposed with respect to the transfer of assets of the public nonprofit corporation to the public facilities district.

(3) For the purposes of this section, "transfer date" means the date on or prior to June 30, 2011, on which provision has been made for all of the following, pursuant to agreements and other necessary arrangements approved by the state treasurer:

(a) The redemption, prepayment, or legal defeasance on or prior to the transfer date of all outstanding borrowings and other financing obligations of the state of Washington and the public nonprofit corporation with respect to the state convention and trade center, including state bonds and certificates of participation and related financing contracts;

(b) The transfer to the public facilities district on the transfer date of the balances on deposit in the state convention and trade center operations account, the state convention and trade center account and other accounts relating to the state convention and trade

center, including the revenues identified under (g)(ii) of this subsection (3);

(c) The imposition by the public facilities district of excise taxes on the sale of or charge made for the furnishing of lodging under RCW 36.100.040 (4) and (5) at the maximum rates permitted in those subsections;

(d) The transfer of all other assets and liabilities and, to the extent permissible by their terms, the assignment or transfer of all contracts and agreements of the public nonprofit corporation from the public nonprofit corporation to the public facilities district;

(e) The execution of an agreement settling all claims in the case of Tourism Alliance, a Washington nonprofit corporation; Craig Schafer; Claridge LLC, a Washington limited liability company; R.C. Hedreen Corporation, a Washington corporation; and on behalf of taxpayers, Andrew Olsen, Amy L. Dee, Christopher M. Dee, Clipper Navigation, Inc., a Washington corporation v. State of Washington and James L. McIntire, in his official capacity as State Treasurer of the State of Washington;

(f) The payment or provision for payment of all fees, costs, and expenses incurred by the state of Washington and the public nonprofit corporation to effect such transfer;

(g) An agreement of the public facilities district to transfer to the state on June 30, 2011, an amount equal to (i) the revenues from the tax imposed under RCW 36.100.040(5) during the state fiscal year ending June 30, 2011, plus (ii) the revenues from the tax imposed under **RCW 67.40.130 during the state fiscal year ending June 30, 2011; and

(h) The agreement between the state treasurer and the public facilities district, referred to in RCW 36.100.040(6)(c)(i). [2010 1st sp.s. c 15 s 8.]

Reviser's note: *(1) RCW 67.40.020 was repealed by 2010 1st sp.s. c 15 s 15, effective December 30, 2010.

** (2) RCW 67.40.130 was repealed by 2010 1st sp.s. c 15 s 14, effective November 30, 2010.

Contingent effective date—2010 1st sp.s. c 15 s 14: "Section 14 of this act is effective contingent upon the transfer date occurring in section 8 of this act. If the transfer date occurs in section 8 of this act, section 14 of this act is effective on the transfer date. For the purposes of this section, "transfer date" has the same meaning as provided in section 8 of this act." [2010 1st sp.s. c 15 s 16.] The transfer date is November 30, 2010, and section 14 of this act takes effect November 30, 2010.

Contingent effective date—2010 1st sp.s. c 15 s 15: "Section 15 of this act is effective contingent upon the transfer date occurring in section 8 of this act. If the transfer date occurs in section 8 of this act, section 15 of this act is effective thirty days after the transfer date in section 8 of this act. For the purposes of this section, "transfer date" has the same meaning as provided in section 8 of this act." [2010 1st sp.s. c 15 s 17.] The transfer date is November 30, 2010, and section 15 of this act takes effect December 30, 2010.

Notice of effective dates—2010 1st sp.s. c 15 ss 16 and 17: "The state treasurer must provide written notice of the effective dates in

sections 16 and 17 of this act to the department of revenue, the office of the code reviser, and others as deemed appropriate by the state treasurer." [2010 1st sp.s. c 15 s 18.] Written notice of the effective dates in sections 16 and 17 of this act [November 30, 2010, and December 30, 2010, respectively] was provided by the state treasurer to the office of the code reviser on November 18, 2010.

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

RCW 36.100.240 Eminent domain authorized. (1) Any county with a population of one million five hundred thousand or more that creates a public facilities district pursuant to this chapter to acquire, own, and operate a convention and trade center transferred from a public nonprofit corporation is authorized to acquire by condemnation property or property rights as may be necessary to carry out the purposes of such district. If the legislative body of such county chooses to exercise its authority to acquire property by eminent domain on behalf of such public facilities district, it must do so pursuant to the procedures set forth in chapter 8.08 RCW.

(2) The accomplishment of the activities authorized by this chapter is declared to be a strictly public purpose of the municipality or municipal entities authorized to perform the same.

(3) The powers and authority conferred by this section are in addition and supplemental to existing powers or authority. Nothing contained in this section limits any other powers or authority of any agency, political subdivision, or unit of local government of this state. [2010 1st sp.s. c 15 s 12.]

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.

RCW 36.100.905 Construction—2010 1st sp.s. c 15. Nothing in chapter 15, Laws of 2010 1st sp. sess. may be construed to limit the authority of a public nonprofit corporation under *chapter 67.40 RCW prior to November 30, 2010. [2010 1st sp.s. c 15 s 10.]

***Reviser's note:** A majority of chapter 67.40 RCW was repealed by 2010 1st sp.s. c 15 s 14, effective November 30, 2010. RCW 67.40.020 was repealed by 2010 1st sp.s. c 15 s 15, effective December 30, 2010.

Findings—Intent—Construction—2010 1st sp.s. c 15: See notes following RCW 36.100.010.