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## HOUSE BILL 2538

State of Washington 64th Legislature 2016 Regular Session

By Representatives Stokesbary, Fey, Haler, Kirby, and Vick

- 1 AN ACT Relating to modifying a property tax exemption for the 2 value of new construction of industrial and manufacturing industries
- 3 in targeted areas; and amending RCW 84.25.030 and 84.25.050.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 84.25.030 and 2015 1st sp.s. c 9 s 3 are each 6 amended to read as follows:
  - The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
    - (1) "City" means any city ((that: (a) Has a population of at least eighteen thousand; and (b) is north or east of the largest city in the county in which the city is located and such county has a population of at least seven hundred thousand, but less than eight hundred thousand)) or town.
  - (2) "Family living wage job" means a job with a wage that is sufficient for raising a family. A family living wage job must have an average wage of eighteen dollars an hour or more, working two thousand eighty hours per year on the subject site, as adjusted annually for inflation by the consumer price index. The family living wage may be increased by the local authority based on regional factors and wage conditions.

p. 1 HB 2538

- 1 (3) "Governing authority" means the local legislative authority 2 of a city <u>or town</u> having jurisdiction over the property for which an 3 exemption may be applied for under this chapter.
  - (4) "Growth management act" means chapter 36.70A RCW.

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- (5) "Industrial/manufacturing facilities" means building improvements that are ten thousand square feet or larger, representing a minimum improvement valuation of eight hundred thousand dollars for uses categorized as "division D: manufacturing" by the United States department of labor in the occupation safety and health administration's standard industrial classification manual.
- (6) "Lands zoned for industrial and manufacturing uses" means lands in a city zoned as of December 31, 2014, for an industrial or manufacturing use consistent with the city's comprehensive plan where the lands are designated for industry.
  - (7) "Owner" means the property owner of record.
- (8) "Targeted area" means an area of undeveloped <u>or underutilized</u> lands zoned for industrial and manufacturing uses in the city ((that is located within or contiguous to an innovation partnership zone, foreign trade zone, or EB-5 regional center,)) and designated for possible exemption under the provisions of this chapter.
- 21 (9) "Undeveloped or underutilized" means that there are no 22 existing building improvements on the property or portions of the 23 property targeted for new or expanded industrial or manufacturing 24 uses.
  - Sec. 2. RCW 84.25.050 and 2015 1st sp.s. c 9 s 5 are each amended to read as follows:

27 An owner of property making application under this chapter must 28 meet the following requirements:

- (1) The new construction of industrial/manufacturing facilities must be located on ((land zoned for industrial and manufacturing uses, undeveloped or underutilized, and as provided in RCW 84.25.060, designated by the city as)) a targeted area as designated by a city as provided in RCW 84.25.060;
- (2) The new construction of industrial/manufacturing facilities must meet all construction and development regulations of the city;
- (3) The new construction of industrial/manufacturing facilities must be completed within three years from the date of approval of the application; and

p. 2 HB 2538

(4) The applicant must enter into a contract with the city approved by the governing authority, or an administrative official or commission authorized by the governing authority, under which the applicant has agreed to the implementation of the development on terms and conditions satisfactory to the governing authority.

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p. 3 HB 2538