



SUMMARY

PSHB 2380 (H-4511.1)

2016 Supplemental Capital Budget Proposal

By Representatives Tharinger and DeBolt

February 24, 2016
Office of Program Research

SUMMARY
PROPOSED SUBSTITUTE HOUSE BILL (PSHB) 2380
H-4511.1

2016 SUPPLEMENTAL CAPITAL BUDGET PROPOSAL

OVERVIEW

NEW APPROPRIATIONS, REAPPROPRIATIONS, AND AUTHORIZATIONS

PSHB 2380 appropriates \$87.6 million in new bonds and \$20.2 million from dedicated accounts for projects during the 2015-17 fiscal biennium.

In addition, PSHB 2380 increases existing reappropriations from dedicated accounts by slightly over \$4 million.

PSHB 2380 authorizes \$204.7 million in alternatively financed projects.

RESERVED BOND CAPACITY

Of the \$89.4 million in bond capacity available under the 2015-17 bond authorization, PSHB 2380 appropriates \$87.6 million, leaving approximately \$1.8 million in bond capacity reserved for a 2017 supplemental capital budget.

MAJOR PROJECT SUMMARIES

MENTAL HEALTH FACILITIES

Institution-Based Facilities.

The Department of Social and Health Services (DSHS) receives \$1.85 million for Institution-Based Mental Health Facilities:

- Design funds of \$450,000 are provided for an 18-bed addition to the Child Study and Treatment Center.
- \$1.4 million is added for the conversion of facilities at Maple Lane for temporary use as forensic beds.

Community-Based Facilities.

The Department of Commerce (Commerce) receives \$8.7 million to award grants for design and construction of crisis triage centers to assess, diagnose, and treat individuals experiencing an acute crisis without the use of long-term hospitalization. Commerce and DSHS must award funds to achieve an equitable geographic distribution of centers statewide.

\$12.4 million is also provided to Commerce to award grants for construction and equipment costs associated with establishing community behavioral health beds. This supplements the \$5.5 million provided in the biennial budget for competitive grants, all of which has been awarded.

SUMMARY
PROPOSED SUBSTITUTE HOUSE BILL (PSHB) 2380
H-4511.1

2016 SUPPLEMENTAL CAPITAL BUDGET PROPOSAL

LOCAL INFRASTRUCTURE, HOUSING AND COMMUNITY PROJECTS

Public Works Loans.

\$8.6 million in bond proceeds is appropriated to Commerce and the Public Works Board to make low-interest loans to local governments for still-viable, highest-ranked sewer, drinking water, solid waste, street, storm water and bridge construction projects that were on the Governor's ranked 2016 Public Works Loan List.

Emergency Funding Response.

In addition, Commerce and the Public Works Board will use an additional \$5 million in disaster recovery funds to make short-term loans and grants to local governments located in geographic areas in which a presidentially declared disaster has occurred. The purpose is to fund the replacement or repair of public works infrastructure destroyed or damaged by a major disaster.

Centennial Clean Water.

The Department of Ecology's Centennial Clean Water program receives nearly \$3.6 million for grants to communities to plan, design, acquire, construct, and improve water pollution control facilities and nonpoint pollution control activities.

Housing for Homeless Youth.

Commerce receives \$5 million to make grants to municipalities, nonprofit, charitable, and religious organizations to construct, acquire, or rehabilitate housing units or shelter beds to be used for permanent supportive housing, rapid rehousing, transitional housing, or emergency shelters for unaccompanied youth and young adults who are homeless or at risk of homelessness.

Local Community Projects.

Fifty projects sponsored by local governments and nonprofit organizations statewide will be granted \$17.4 million through Commerce for capital projects intended to meet a wide range of community-based objectives.

NATURAL RESOURCES AND THE ENVIRONMENT

Recreation and Conservation.

The Department of Natural Resources (DNR) and the Recreation and Conservation Office (RCO) received appropriations aimed at recreational lands and facilities, environmental protection, and conservation, including:

- \$7.4 million from increased motor vehicle revenues to the RCO for grants for boating facilities and non-highway off-road vehicle activities;
- \$1.5 million for the State Forest Land Replacement program within the DNR to transfer state forest trust lands that are encumbered through the Federal Endangered Species Act to Natural Resource Conservation Areas for Wahkiakum and Pacific Counties.

SUMMARY
PROPOSED SUBSTITUTE HOUSE BILL (PSHB) 2380
H-4511.1

2016 SUPPLEMENTAL CAPITAL BUDGET PROPOSAL

Environmental Restoration.

The Department of Fish and Wildlife receives \$1 million for restoring marsh land and estuary habitat in the Snohomish River delta as part of the Puget Sound Nearshore Ecosystem Restoration project.

K-12 SCHOOL CONSTRUCTION

K-3 School Modular Classrooms

\$10.8 million is provided to the Department of Enterprise Services (DES) to purchase modular classrooms for school districts selected on an equitable geographic basis for the purpose of supporting reduced class sizes in kindergarten through third grade. Selected school districts will receive up to four modular classrooms each. The modular classrooms may be constructed of cross laminated timber (CLT) as part of a pilot program encouraging the use of CLT. The DES will conduct a request for qualifications process for selecting the modular classroom builders and among the scoring criteria will be the innovative use, percent, and local sourcing of CLT.

Public School Construction

Additional funding is provided as assistance for school districts to construct, modernize, or replace school facilities to support educational goals and outcomes such as all-day kindergarten, reduced class sizes in kindergarten through third grades, and providing Science, Technology, Engineering, and Mathematics labs and classrooms.

- \$34.8 million is appropriated for K-12 School Construction Assistance grants from the following sources: \$3 million from state general obligation bonds and \$31.8 million from the Common School Construction Account (CSCA). The CSCA receives revenue from timber sales, leases and other earnings from state trust lands.
- \$12 million of additional funding is provided for the K-3 Class Size Reduction Grant program established in Chapter 41, Laws of 2015, 3rd sp. Session (ESSB 6080) to support all-day kindergarten, and class size reductions in kindergarten through third grades. \$786,000 of the appropriation is provided for the WSU Energy Office to verify classroom need through site visits at the applying school districts.

HIGHER EDUCATION FACILITIES

Alternative Financing for Major Projects.

\$143 million in alternative financing is authorized for higher education facilities in the community and technical college system. Funding is provided for a variety of major projects, including:

SUMMARY
PROPOSED SUBSTITUTE HOUSE BILL (PSHB) 2380
H-4511.1

2016 SUPPLEMENTAL CAPITAL BUDGET PROPOSAL

- \$45.7 million for a Student Housing building at the Bellevue College;
- \$36.1 million for the Science, Engineering, Technology Building at Edmonds Community College;
- \$32.1 million for the Learning Commons at the Whatcom Community College; and
- \$19.5 million for the Gymnasium renovation and addition at Spokane Falls Community College.

STATE BUILDING DEVELOPMENT

Utilities and Transportation Commission Building.

A new energy efficient building will be constructed for \$69 million at the Pro Arts site on the Capitol Campus, using Certificate of Participation financing. The building will be a model for public buildings using cross laminated timber. The tenants will be the Utilities and Transportation Commission and the Department of Licensing, and other tenants to be identified by the Office of Financial Management. The project includes a parking garage to be built at the 120 Union Street site.

Tri Cities Readiness Center.

The Military Department receives funding of \$3.5 million for land acquisition for a new Tri Cities Readiness Center. Design and construction will be funded in the 2017-2019 capital budget.