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# CONCISE EXPLANATORY STATEMENT

FOR WAC 25-50-101 - 25-50-080

# WASHINGTON STATE MAIN STREET PROGRAM

## **REASON FOR ADOPTING THESE RULES:**

The rules will guide the State Historic Preservation Officer (SHPO) and director of the Department of Archaeology & Historic Preservation (DAHP) in administering the Washington State Main Street Program (WSMSP). The WSMSP was created by the legislature pursuant to chapter 43.360 RCW to assist local jurisdictions implementing economic and physical revitalization through the activities of designated and qualified 501(c)(3) or 501(c)(6) organizations.

The WSMSP is based upon an economic development model first formulated in the 1980s to revitalize historic downtown districts throughout the nation. Based upon experience, successful Main Street programs have come to be defined by tight-knit committee organization, strong volunteer commitment, and close adherence to the program's "Four Point" guiding principles. The WSMSP Coordinator together with the managers of over 30 designated Main Street programs in Washington have consulted with the Director of DAHP on the need to place into rules the policies, eligibility criteria, plus roles and responsibilities of the state and local partners in order to sustain a strong and vital program.

# **LANGUAGE CHANGES:**

The only differences between the text of the rules as adopted and the proposed rules as published in the Washington State Register are:

"State" was added to WAC 25-50-050(3)(a)

"Washington main street community" and "eligible organization" are now used consistently throughout the rules.

The phrase "will no longer receive" was changed to "may receive reduced" in WAC 25-50-060 to be consistent with RCW 43.360.030(1).

# **SUMMARY OF COMMENTS & AGENCY RESPONSES:**

The department received written comment from two individuals and one group. Twelve individuals attended the rules hearings, eight of whom testified. Most of the comments touched on more than one of the categories described below. Most of the comments came from individuals who serve as staff or board members for current Washington Main Street Communities. **Aside from language changes listed above, the department has not revised the rules as a result of the comments received during the official public comment period.** The reasons for retaining the rules as proposed are detailed below.

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#### **SOLE MISSION** WAC 25-50-040(1)

Three individuals commented that the requirement that the nonprofit organization have a sole mission or revitalizing a historic downtown commercial district is burdensome for very small communities.

Response: State law that established the Washington Main Street Program Tax Incentives [RCW 82.73.010(6)] requires that programs eligible to receive contributions are "nonprofit organizations under internal revenue code sections 501(c)(3) or 501(c)(6), with the sole mission of revitalizing a downtown or neighborhood commercial district area...". In order to align rules with existing state law this section cannot be changed.

#### MINIMUM STAFFING REQUIREMENT WAC 25-50-040(3)

Four individuals commented that the staffing requirement is burdensome for very small towns. Communities barely over the 2,500 threshold have great difficulty hiring a part-time, paid Executive Director and would prefer to use a volunteer-run model and spend funds on projects.

Two individuals commented that the minimum staffing requirement is in place to achieve a standard. One also noted that National Accreditation requires full-time paid staff.

Response: The staffing requirement will not be changed at this time, but may be a topic for future rulemaking.

One individual commented that the community he represents is not only small in population but also economically distressed and asked that economic abilities be a consideration in the staffing requirement.

Response: DAHP will investigate common definitions of "economically distressed" and consider this topic for potential future rulemaking.

One commenter asked that "full time" and "part time" be defined.

Response: The commonly accepted definitions of "full time" and "part time" are applicable. Staffing plans will be an addition to the new Main Street Community application and the Annual Report. Adding definitions of the terms may be a topic for future rulemaking.

## **HISTORIC FOCUS AREA** WAC 25-50-040(4)

One individual expressed appreciation for the section stating that "at least fifty percent of buildings/structures within the eligible organization's defined geographic boundaries must be fifty years of age or older".

#### **REPORTING** WAC 25-50-050(2)

One commenter suggested that deadlines be included in rules. Suggestion specifically called out end of the month deadlines for the quarterly reports.

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Response: Deadlines for quarterly reports will continue to be posted and more than two weeks will be considered late. Adding deadlines-in rule may be a topic for future rulemaking.

One commenter expressed support for implementing high standards for reporting performance indicators.

## **MEETING PARTICIPATION** WAC 25-50-050(3)

One individual suggested that (3)(a) specify "Annual State Historic Preservation...conference".

Response: Agreed. The suggested change was made to the rule.

On individual commented that all four meetings (conference and three quarterly workshops) should be required.

Two individuals commented that the rules are fair as they are, with the requirement being attendance at the conference and 2/3 of quarterly workshops.

Response: Requiring attendance at all four meetings would place an undue burden on Washington Main Street Communities, and some smaller Communities in particular. Attendance at the conference and 2/3 of quarterly workshops is a fair requirement.

One individual expressed appreciation for the ability to send someone other than the executive director to meetings.

One individual expressed concern and confusion about the need for the executive director to only be able to appoint a board member to attend *one* of the required meetings. The commenter requested that consideration be made for allowing the executive director to appoint another representative to any of the quarterly workshops.

Response: With the requirement in WAC 25-50-050(3)(b) allowing attendance at only 2/3 of quarterly workshops, the executive director only needs to attend a minimum of two events during the course of a year. They may appoint a board member to attend one of the events. Executive director attendance at meetings is important and attendance twice a year is deemed to provide executive directors with sufficient latitude to balance competing responsibilities.

#### **GENERAL**

One individual commented that "main street community should always be preceded with "Washington" and that "local organization" and "local main street program" should be replaced with "eligible organization."

Response: Agreed. Changes were made throughout the rules for consistency and clarity.

Four individuals expressed appreciation and need for the rulemaking process.