



Meeting Agenda

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, June 14, 2022

5:30 PM

Council Chambers/Online & Via
Phone

Study Session

Attend: [https://us02web.zoom.us/j/81419859227?](https://us02web.zoom.us/j/81419859227?pwd=UTZyZmM1WUYzMjVFYWZWMzNEZIRWxMdz09)

[pwd=UTZyZmM1WUYzMjVFYWZWMzNEZIRWxMdz09](https://us02web.zoom.us/j/81419859227?pwd=UTZyZmM1WUYzMjVFYWZWMzNEZIRWxMdz09)

1. ROLL CALL

2. BUSINESS ITEM

2.A [22-0583](#) Inspire Olympia Cultural Access Program Implementation

Attachments: [Resolution M-2280](#)

[Timeline](#)

[Revised Code of Washington Chapter 36.160](#)

3. ADJOURNMENT

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City Council

Inspire Olympia Cultural Access Program Implementation

Agenda Date: 6/14/2022
Agenda Item Number: 2.A
File Number: 22-0583

Type: study session **Version:** 1 **Status:** Study Session

Title

Inspire Olympia Cultural Access Program Implementation

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Discuss proposed steps and milestone schedule for implementation of Inspire Olympia, the voter-approved cultural access program.

Report

Issue:

Whether to discuss proposed steps and milestone schedule for implementation of Inspire Olympia, the voter-approved cultural access program.

Staff Contact:

Keith Stahley, Assistant City Manager, 360.753.8227

Presenter(s):

Marygrace Goddu, Historic Preservation Officer, Community Planning & Development

Background and Analysis:

On April 26, 2022, Olympia voters approved Proposition One, increasing the sales and use tax to fund a cultural access program for Olympia, becoming only the second jurisdiction in Washington State to do so under legislation passed in 2015. Olympia is poised to set an example for other small cities across the state, demonstrating the economic and social benefits of public investment in the cultural sector.

The program's public benefits as stated in City Council Resolution M-2280 dated 12-14-21 include:

1. Ensuring greater access to arts, science, culture, and heritage organizations for public school students, through programs in and out of classrooms, before and after school programs, and during the summer, and opportunities for free visits to cultural attractions, leading to better engagement in

the classroom, improved educational attainment, support for social and emotional growth, and higher graduation rates;

2. creating new resources to support or promote cultural activities, events, or projects reflecting our diverse lifestyles, interests and cultures, including learning about the Native American heritage of Olympia and its environs;
3. expanding access and opportunities for the general public, including students, seniors, and economically underserved populations or those on a fixed income, to attend and experience cultural events, performances, festivals, exhibits, and related programs and activities;
4. boosting the City's economy through enhanced cultural community, job creation, and increased tourism; and
5. ensuring that cultural organizations are financially healthy and able to provide public programs and services within their facilities, in neighborhoods and communities, and in public schools.

In order to assure these outcomes and meet the obligations of the enabling legislation (see Chapter 36.160 RCW attached), a number of actions are required for program implementation. Among them:

- Establish a representative advisory commission.
- Define "discernible public benefit" as an eligibility and performance requirement for recipient organizations.
- Establish a public schools cultural access program, and designate a percentage of funding to be set aside for this purpose (in addition to that set aside for transportation).
- Create procedures, guidelines and criteria for the award of funds to eligible organizations.

The enabling legislation provides authority for implementing jurisdictions to contract with the state arts commission for consulting, management, or other administrative services (RCW 36.160.070).

The enabling legislation provides authority for implementing jurisdictions to use program funds to cover start-up costs with repayment to the fund (RCW 36.160.040 and RCW 36.160.110). This authority was referenced in the December 2021 City Council Resolution.

The city does not currently have staff resources to support program implementation. Additional city staff positions and a contract for initial support from the State Arts Commission are anticipated.

If no action is taken to prepare for program implementation until January 1, 2023, it is unlikely that funding could be awarded to cultural organizations before 2024.

Neighborhood/Community Interests (if known):

Cultural Access is of general community interest.

Options:

1. Discuss proposed steps and milestone schedule for implementation of Inspire Olympia, the voter-approved cultural access program.
2. Do not discuss proposed steps and milestone schedule for implementation of Inspire Olympia,

the voter-approved cultural access program.

3. Discuss proposed steps and milestone schedule for implementation of Inspire Olympia, the voter-approved cultural access program at another time.

Financial Impact:

Financial implications are currently being evaluated and any necessary funding authorizations will be brought to the City Council for consideration.

Attachments:

Resolution M-2280

Timeline

Revised Code of Washington Chapter 36.160

RESOLUTION NO. M-2280

A RESOLUTION OF THE OLYMPIA CITY COUNCIL PROVIDING FOR THE SUBMISSION TO THE VOTERS OF THE CITY OF OLYMPIA AT THE APRIL 26, 2022, SPECIAL ELECTION, A PROPOSITION AUTHORIZING THE CITY OF OLYMPIA TO LEVY A SALES AND USE TAX AT THE INCREASED RATE OF ONE-TENTH OF ONE PERCENT PURSUANT TO RCW 82.14.525 FOR A PERIOD OF SEVEN YEARS, TO BE USED FOR THE PURPOSE OF FUNDING ARTS, SCIENCE, CULTURAL AND HERITAGE PROGRAMS; SETTING FORTH THE BALLOT PROPOSITION; REQUIRING AN ANNUAL REPORT; AND DIRECTING THE CITY CLERK TO TRANSMIT TO THE THURSTON COUNTY AUDITOR A CERTIFIED COPY OF THIS RESOLUTION

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OLYMPIA, WASHINGTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Findings and Determinations. The following recitals are hereby adopted as legislative findings and determinations made by the Olympia City Council (the "Council"):

- a. Pursuant to RCW 36.160.010(1)(c), the Washington State Legislature set forth its intent to provide local governments and communities the fiscal tools needed ". . . to provide public and educational benefits and economic support for cultural organizations [by] [p]roviding local support for the state's cultural organizations [which] is in the public interest and will serve multiple public purposes including, among others, enhancing and extending the education reach and offerings of cultural organizations; ensuring continued and expanded access to the facilities and programs of cultural organizations by economically and geographically underserved populations; and providing financial stability to the organizations to continue and extend the numerous public benefits they provide."
- b. Access to arts, science, culture and heritage programs in the City of Olympia will advance and promote equity, diversity, and opportunity for Olympia's residents and communities by leveraging Olympia's arts and cultural assets, potential partnerships, and the need to invest in Olympia's youth.
- c. The City of Olympia seeks to promote greater civic engagement and to use arts and culture as a vehicle to address and support Olympia's values and priorities including education, neighborhood and economic development, community building, equity and inclusion, including minority cultural and ethnic groups and underserved populations.
- d. Olympia's residents would greatly benefit from improved public access to programs produced by nonprofit arts, science, culture, and heritage organizations that would be enabled by an increase in public funding for those organizations.
- e. The Olympia City Council finds that increased funding would advance fair and equitable access to arts, science, culture, and heritage programs throughout the City and remove barriers to access faced by many segments of Olympia's population due to poverty, isolation, bias, racism, stigma, discrimination, disability, chronic illness, and/or other systemic barriers.

- f. Increased funding for arts, science, culture, and heritage organizations would allow such organizations to expand open public hours, offer discounted and free admission for Olympia's residents, award scholarships, participate in public school access programs, and make more programs available in Olympia's communities that do not have spaces for cultural activities.
- g. Additional funding would foster the creation and development of new cultural organizations throughout the City, reduce geographic barriers, and facilitate access to arts, science, culture, and heritage resources for all residents.
- h. Providing increased financial support for arts, science, culture, and heritage organizations in Olympia will result in multiple public benefits, including but not limited to: (1) ensuring K-12 public school students in all Olympia Public Schools will have greater access to arts, science, culture, and heritage organizations during students' formative years through programs in and out of classrooms, before and after school programs, and during the summer, and opportunities for free visits to cultural attractions, leading to better engagement in the classroom, improved educational attainment, support for social and emotional growth, and higher graduation rates; (2) creating new resources to support or promote cultural activities, events, or projects reflecting our diverse lifestyles, interests and cultures, including learning about the Native American heritage of Olympia and its environs; (3) expanding access and opportunities for the general public, including students, seniors, and economically underserved populations or those on a fixed income, to attend and experience cultural events, performances, festivals, exhibits, and related programs and activities; (4) boosting the City's economy through enhanced cultural community, job creation, and increased tourism; and (5) ensuring that arts, culture, science, and heritage organizations are financially healthy and able to provide public programs and services within their facilities, in neighborhoods and communities, and in public schools.
- i. Increased funding will provide transportation for school age children to access and attend arts, science, cultural, and heritage programs, so as to overcome one of the recognized barriers for such participation.
- j. In order to provide such public benefits, the Olympia City Council shall create and establish an advisory board consistent with RCW 36.160.060, consisting of nine (9) members, and to be known as the Olympia Cultural Access Program Advisory Board. The Cultural Access Program Advisory Board (the "CAP Advisory Board") shall make recommendations for funding of arts, science, cultural, and heritage programs to the City Council. The CAP Advisory Board shall ensure that a minimum of eighty percent (80%) of all collected revenues will be dedicated to providing public and educational benefits and economic support for arts, science, cultural and heritage organizations, and for programming for youth, neighborhood and community activities, and for capital expenditures or acquisitions including, but not limited to, the acquisition of or construction improvements to real property as permitted by RCW 36.160.110(6). Up to ten percent (10%) of collected revenues shall be used to fund youth transportation for such activities; and ten percent (10%) shall be used for administrative costs.

- k. The CAP Advisory Board will make its recommendations to the City Council and shall be accountable for funding recommendations through regular reporting of expenditures and program data, including measurable outcomes and records of participants within the City of Olympia.
- l. As a further accountability measure, applicants for and recipients of City grants will be required to identify and demonstrate community benefit, based on criteria to be adopted by the Olympia City Council, which will ensure benefit to all Olympia residents, communities, and generations, for free or reduced cost programs, neighborhood or community-based programs, economic development, and arts incubation on all levels.
- m. The Olympia City Council supports the growth and development of arts, science, culture, and heritage programs in Olympia's neighborhoods and communities to promote a healthy, more inclusive, and vibrant Olympia.
- n. RCW 36.160.030(3) provides that "A city may create a cultural access program if the county legislative authority in which the city is located adopts a resolution stating the county forfeits its option to create a program or does not place a proposition before the people to create such a program by June 30, 2017. In the event the exception in this subsection occurs, all references in this chapter to a county must include a city that has exercised its authority under this subsection, unless the context clearly requires otherwise." The Olympia City Council finds that Thurston County did not exercise its option under RCW 36.160.030(3) to create a cultural access program by June 30, 2017, and therefore the City of Olympia, through the legislative discretion of the Olympia City Council, wishes to create a cultural access program for Olympia's residents.
- o. The Olympia City Council further finds that in creating a cultural access program under Chapter 36.160 RCW, it must affirm that any funding the City usually and customarily provides to cultural organizations similar to funding that would be available to those organizations ". . . under this chapter may not be replaced or materially diminished as a result of funding becoming available under this chapter." In accord with RCW 36.160.050, the Council hereby makes such affirmation.
- p. In accord with RCW 36.160.080(1)(a), a city creating a cultural access program under Chapter 36.160 RCW, may impose a sales and use tax as provided by RCW 82.14.525. Per RCW 36.160.080(4) "All revenue from taxes imposed under [Chapter 36.160 RCW] must be credited to a special fund in the treasury of the [city] imposing such tax and used solely for the purpose of paying all or any part of the cost of cultural access programs as provided in this chapter."
- q. RCW 82.14.525(1) provides "The legislative authority of a county or a city may impose a sales and use tax of up to one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax, for the purposes authorized under chapter 36.160 RCW. The legislative authority of the county or city may impose the sales and use tax by ordinance and must condition its imposition on the specific authorization of a majority of the voters voting on a proposition submitted at a special or general election held after June 30, 2016. The ordinance and ballot proposition may provide for the tax to apply for a period of up to seven consecutive years."
- r. RCW 82.14.525(3) further provides that "The legislative authority of a county or city may reimpose a tax imposed under this section for one or more additional periods of up to seven consecutive years."

The legislative authority of the county or city may only reimpose the sales and use tax by ordinance and on the prior specific authorization of a majority of the voters voting on a proposition submitted at a special or general election.

- s. Moneys collected under RCW 82.14.525(4) “. . . may only be used for the purposes set forth in RCW 36.160.110.” The department of revenue shall collect taxes under RCW 82.14.525 on behalf of a county or city at no cost to the county or city.

SECTION 2. Authorization of a Cultural Access Program Sales and Use Tax. The Olympia City Council directs the submission of a proposition to the voters of the City of Olympia, substantially as set forth in this Resolution, to authorize the City to impose pursuant to RCW 82.14.525 a sales and use tax of one-tenth of one percent to create the “Olympia Cultural Access Program” (“OCAP”).

SECTION 3. Use of Tax Proceeds. If approved, the City shall use the moneys collected under RCW 82.14.525(4) “. . . only . . . for the purposes set forth in RCW 36.160.110, including but not limited to, start-up funding provided to the program under RCW 36.160.040 with the expectation “that the funding will be repaid . . .;” that the funding forming such a program to be reserved for program costs, including direct administrative costs, and repaying any start-up funding provided under RCW 36.160.040; the percentage of total funds available annually to be reserved for a public school cultural access program established and managed by the City to increase access to cultural activities and programming for public school students, including transportation to off-site cultural experiences for all students at schools in the City that are located within a school district in which at least forty percent of the district’s students are eligible for the federal free and reduced-price school meals program; and the City may limit its spending on the transportation benefit to no more than five percent of funds collected each year under RCW 36.160.080; and remaining funds available annually, including all funds not initially reserved under RCW 36.160.110(1), (2), and (3), as well as funds not distributed by the City from the reserved funds, must be distributed by the City to entities designated by the legislative authority of the City creating the program, after creating guidelines and criteria for the award of funds to eligible cultural organizations, including designated entity administrative costs. In accord with RCW 36.160.110(5), the City in “. . . evaluating requests for funding authorized under this chapter, the designated entity responsible for the distribution of the funds must consider the public benefits that any cultural organizations represented will be derived from proposed projects. Funds distributed to cultural organizations may be used to support cultural and educational activities, programs, and initiatives, public benefits and communications, and basic operations. Funds may also be used for (a) capital expenditures or acquisitions including, but not limited to, the acquisition of or construction of improvements to real property and (b) technology, equipment, and supplies reasonably related to or necessary for a project otherwise eligible for funding under Chapter 36.160 RCW.

SECTION 4. Calling of Election. The Olympia City Council requests the Thurston County Auditor, as *ex officio* supervisor of elections in Thurston County, Washington, to call and conduct a special election in the City of Olympia, in the manner provided by law, to be held therein on April 26, 2022, for the purpose of submitting to the voters of the City, for their approval or rejection, the question of whether or not the City shall impose the additional sales and use tax permitted by RCW 82.14.525 of one-tenth of one percent over a period of seven years for the sole purpose of funding arts, science, culture, and heritage programs in the City of Olympia. If such proposition is approved by the requisite number of voters, the

City shall be authorized to impose the additional sales and use tax and to use the revenues as authorized by this Resolution.

SECTION 5. Ballot Proposition. The City Clerk is authorized and directed to certify, no later than December 20, 2021, to the Thurston County Auditor, as *ex officio* supervisor of elections in the City of Olympia and Thurston County, a copy of this Resolution and the proposition to be submitted at that election in the form of ballot title prepared by the City Attorney, substantially in the form as set forth below, as required by RCW 29A.36.071, as follows:

**CITY OF OLYMPIA
PROPOSITION NO. 1**

The Olympia City Council passed Resolution No. _____ concerning a sales and use tax increase to support cultural programs.

If approved, this proposition authorizes the City of Olympia to impose an additional sales and use tax of 0.1% beginning July 1, 2022, and expiring in seven years. The revenue generated shall be used to provide free and discounted access to arts, science, cultural, and heritage programs for Olympia's residents, free transportation to programs for Olympia public school children, and capital improvements. It would also expand services to Olympia's diverse, underserved and low-income populations.

Should this proposition be approved?

- ☐ Yes
☐ No

For purposes of receiving notice of any matters related to the ballot title, as provided in RCW 29A.36.080, the Council hereby designates its City Attorney as the person to whom such notice shall be provided.

SECTION 6. General Authorization. The proper City officials are authorized to perform such duties as are necessary or required by law to the end that the question of whether or not the additional sales and use tax shall be submitted to the voters. Should the voters approve this ballot proposition, the Olympia City Council shall create and codify formation of the Olympia Cultural Access Program Advisory Board, whose purpose will be to guide, recommend, oversee, and implement the program and to deliver an annual progress report to the public so that Olympia's residents may easily understand the benefits provided and achieved, among other performance indicators important for transparency and accountability of these public resources.

SECTION 7. Use of Funds if Ballot Proposition is Approved. Should the voters in the City of Olympia approve this proposition, of the tax revenues collected: (a) a minimum of eighty percent (80%) of all revenues will be dedicated for cultural programs in Olympia, including programs for youth, neighborhood or community events, and arts, science, cultural and heritage organizations, and including reduced or free admission for Olympia residents; (b) up to ten percent (10%) of all revenues will be

dedicated to provide children enrolled in Olympia Public Schools transportation to cultural programs funded by the Olympia Cultural Access Program (CAP); and (c) ten percent (10%) shall be used for administrative costs.

SECTION 8. Authorization for Publication and Distribution of Local Voters' Pamphlet. In accord with RCW 29A.32.210, the Olympia City Council authorizes the publication and distribution by the Thurston County Auditor of a Local Voters' Pamphlet for the foregoing ballot proposition at a special election to be conducted on April 26, 2022.

SECTION 9. City Manager Authorized to Bring Forward Ordinance if Proposition is Approved. Should the voters in the City of Olympia approve this proposition, the City Manager is directed to bring forward to the Olympia City Council, an ordinance establishing the Olympia Cultural Access Program (CAP) Fund for the purpose of dedicating and restricting funds and any revenue generated as a result of this ballot measure, so that such funds are used as outlined in the approved ballot measure.

SECTION 10. Severability. If any provision of this Resolution is declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be severable from the remaining provisions of this Resolution and shall in no way affect the validity of the other provisions of this Resolution.

SECTION 11. Effective Date. This Resolution shall take effect and be in full force immediately upon passage and publication as provided by law.


SECTION 12. Ratification. Any action taken consistent with the authority of this Resolution, after its passage but prior to the effective date, is ratified, approved, and confirmed.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, AT A REGULAR MEETING this 14th day of December 2021.



MAYOR

ATTEST:



CITY CLERK

APPROVED AS TO FORM:

Mark Barber

CITY ATTORNEY

INSPIRE OLYMPIA implementation scenario -- Draft -- June 2022

2022	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	
Funding Milestones	☑				
Administration				Hire Program Manager, develop ArtsWA contract	
Communications	Inspire Olympia City Webpage			"Census" of Cultural Organizations	
Legal/City Council Action	YOU ARE HERE >>>>	CC Authorize tax, create fund; Council Study Session	CC authorize IOAC and staffing		
Ad Hoc Committee		Solicit members		Meetings 2x/mo	
IO Advisory Commission					Commission Recruitment
2023	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	
Revenue	575,000	1,150,000	1,725,000	2,300,000	
Administration	Hire additional staff; Develop pilot grant cycle	Publish pilot cycle guidelines; applications due June 30	Contracts for pilot cycle		
Communications	Census results inform Ad Hoc committee recommendations	Capacity Building and Planning Workshops	Capacity Building and Planning Workshops	Capacity Building and Planning Workshops	
Legal/City Council Action	Draft program code; Select and seat Advisory Commission		CC Adopt code; approve awards for pilot term ending March '24		
Ad Hoc Committee	recommendations to IOAC				
IO Advisory Commission	Interviews				
2024	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	
Revenue	575,000	1,150,000	1,725,000	2,300,000	
Administration	Pilot cycle end. Publish first full cycle applications	Review applications	Contracts for July 1, 2024 - June 30, 2025		
Communications	IO Program Workshops				
Legal/ City Council Action	Approve Awards for 2024-25				
IOAC	Recommend awards to CC				
Annual Grant Review Panel	Invite/select panel members	Recommend awards to IOAC			

Chapter Listing

Chapter 36.160 RCW

CULTURAL ORGANIZATIONS

Sections

- 36.160.010** Findings—Intent.
- 36.160.020** Definitions.
- 36.160.030** Cultural access program—Creation.
- 36.160.040** Cultural access program—Start-up funding and conditional formation.
- 36.160.050** Cultural access program—Nonsupplantation.
- 36.160.060** Cultural access program—Advisory councils.
- 36.160.070** Cultural access program—Alternative administrative arrangements.
- 36.160.080** Funding—Local tax authority.
- 36.160.090** Public benefits.
- 36.160.100** Public school cultural access program.
- 36.160.110** Use of funds—Allocation.
- 36.160.800** Attacks prohibited.

RCW 36.160.010

Findings—Intent.

(1) The legislature finds that:

(a) Many Washington cities and counties and their residents are experiencing the lingering effects of the recession. While there are many residents who have been able to successfully weather the economic downturn, unfortunately there are still individuals, families, and valued community organizations who have not. Local governments also have not been immune to this situation. Local government revenues have continued to lag behind economic growth, leaving local communities unable to make adequate and necessary investments in infrastructure and services their residents rely on and benefit from. Additional fiscal tools that provide funding for facilities, services, housing, and programs benefiting vulnerable populations as well as cultural organizations will enable local communities and their residents to choose to invest in their local institutional and human infrastructure to the benefit of the public.

(b) There is a demonstrated need for facilities and services in the community to help people with mental illness, individuals with developmental disabilities, and other vulnerable populations, including foster children, homeless families, veterans, and others in critical need. The need includes, but is not limited to, funding for mental health services, evaluation and treatment facilities, housing, and other projects and services for those in need.

(c) There is also a need to provide public and educational benefits and economic support for cultural organizations. Providing local support for the state's cultural organizations is in the public interest and will serve multiple public purposes including, among others, enhancing and extending the education reach and offerings of cultural organizations; ensuring continued and expanded access to the facilities and programs of cultural organizations by economically and geographically underserved populations; and providing financial stability to the organizations to continue and extend the numerous public benefits they provide.

(2) It is the intent of the legislature to provide local governments and the communities they serve the fiscal tools needed to provide these important services.

[2015 3rd sp.s. c 24 § 101.]

NOTES:

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

RCW 36.160.020

Definitions.

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Administrative costs" means all operating, administrative, and maintenance expenses for a program or a designated entity.

(2) "Attendance" means the total number of visits by persons in physical attendance during a year at cultural organization facilities located or cultural organization programs provided within the county creating a program, including attendance for which admission was paid, discounted, or free, consistent with and verifiable under guidelines adopted by the appropriate program.

(3) "Cultural organization" means a nonprofit corporation incorporated under the laws of the state of Washington and recognized by the internal revenue service as described in section 501(c)(3) of the internal revenue code of 1986, as amended, with its principal location or locations and conducting a majority of its activities within the state, not including: Any agency of the state or any of its political subdivisions; any municipal corporation; any organization that raises funds for redistribution to multiple cultural organizations; or any radio or television broadcasting network or station, cable communications system, internet-based communications venture or service, newspaper, or magazine. The primary purpose of the organization must be the advancement and preservation of science or technology, the visual or performing arts, zoology, botany, anthropology, heritage, or natural history and any organization must directly provide programming or experiences available to the general public. Any organization with the primary purpose of advancing and preserving zoology such as zoos and aquariums must be or support a facility that is accredited by the association of zoos and aquariums or its functional successor. A state-related cultural organization may be a cultural organization.

(4) "Designated entity" means the entity designated by the legislative authority of a county creating the program, as required under RCW **36.160.110**(4). The entity may be a public agency, including the state arts commission established under chapter **43.46** RCW, or a Washington nonprofit corporation that is not a cultural organization eligible for funding under this chapter.

(5) "Program" means a cultural access program established by a county by ordinance.

(6) "Revenues" means revenues from all sources generated by a cultural organization, consistent with generally accepted accounting practices and any program guidelines, excluding: (a) Revenues associated with capital projects other than major maintenance projects including, but not limited to, capital campaign expenses; (b) funds provided under this chapter; (c) revenue that would be considered unrelated business taxable income under the internal revenue code of 1986, as amended; and (d) with respect to a state-related cultural organization, state funding received by it or for the institution it supports. Revenues include transfers from an organization's endowment or reserves and may include the value of in-kind goods and services to the extent permitted under any program guidelines.

(7) "State-related cultural organization" means an organization incorporated as a nonprofit corporation under the laws of the state of Washington and recognized by the internal revenue service as described in section 501(c)(3) of the internal revenue code of 1986, as amended, with a primary purpose and directly providing programming or experiences available to the general public consistent with the requirements for recognition as a cultural organization under this chapter operating in a facility owned and supported by the state, a state agency, or state educational institution.

[2020 c 192 § 1; 2015 3rd sp.s. c 24 § 201.]

NOTES:

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

RCW 36.160.030

Cultural access program—Creation.

(1) Any county legislative authority may create a cultural access program by ordinance.

(2) Any contiguous group of counties may create a program by entering into an interlocal agreement under chapter 39.34 RCW, approved by resolution of the county legislative authorities.

(3) A city may create a cultural access program if the county legislative authority in which the city is located adopts a resolution stating that the county forfeits its option to create a program or does not place a proposition before the people to create such a program by June 30, 2017. In the event the exception in this subsection occurs, all references in this chapter to a county must include a city that has exercised its authority under this subsection, unless the context clearly requires otherwise.

[2015 3rd sp.s. c 24 § 301.]

NOTES:

Construction—2015 3rd sp.s. c 24: "The provisions of this act must be liberally construed to effectuate the policies and purposes of this act." [2015 3rd sp.s. c 24 § 804.]

RCW 36.160.040

Cultural access program—Start-up funding and conditional formation.

(1) The county creating a program may advance to the program funding for its administrative costs, including the cost of informing the public about the formation of the program, how it is proposed to be funded, and the public benefits to be realized if it is successful. However, this subsection does not authorize the preparation and distribution of information to the general public for the purpose of influencing the outcome of any election called for voter authorization of a proposed tax to support a program.

(2) The county creating a program may provide for repayment of any start-up funding advanced to a program from the proceeds of taxes authorized under RCW 36.160.080, 82.14.525, and 84.52.821

and approved by voters after the taxes are first collected. The funds may be repaid to such county with interest at the internal rate of return on the invested funds of such county.

[2015 3rd sp.s. c 24 § 302.]

NOTES:

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

RCW 36.160.050

Cultural access program—Nonsupplantation.

In creating a program under this chapter, any county creating the program must affirm that any funding such county usually and customarily provides to cultural organizations similar to funding that would be available to those organizations under this chapter may not be replaced or materially diminished as a result of funding becoming available under this chapter. If an organization designated to receive funds under this chapter is a state-related cultural organization, the funds received under this chapter may not replace or materially diminish any funding usually or customarily provided by the state.

[2015 3rd sp.s. c 24 § 303.]

NOTES:

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

RCW 36.160.060

Cultural access program—Advisory councils.

Each county creating a program under this chapter may establish an advisory council, the membership of which must include citizen representatives of constituencies and organizations with interests relevant to the work of the program including, but not limited to, leaders in the business, educational, and cultural communities. Advisory council members should be residents of the county creating the program. Policies concerning the size and operation of any advisory council must be established by the county that creates the program.

[2015 3rd sp.s. c 24 § 304.]

NOTES:

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

RCW 36.160.070**Cultural access program—Alternative administrative arrangements.**

A county with a population of less than one million five hundred thousand may contract with the state arts commission formed under chapter **43.46** RCW for the provision of consulting, management, or other administrative services to be provided to its program created under this chapter. Any county creating a program may elect to consolidate administration of such a program with that of the entity or public agency designated by the county creating such a program to perform the functions required under RCW **36.160.110**.

[**2015 3rd sp.s. c 24 § 305.**]

NOTES:

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

RCW 36.160.080**Funding—Local tax authority.**

(1)(a) Except as provided in (b) of this section, a county creating a program under this chapter may impose sales and use taxes under RCW **82.14.525** or additional regular property tax levies under RCW **84.52.821** for the purposes authorized under this chapter.

(b) A county with a population of one million five hundred thousand or more may not impose additional regular property tax levies under RCW **84.52.821**.

(2) If a county imposes sales and use taxes under RCW **82.14.525**, the county may not impose an additional regular property tax levy under RCW **84.52.821** so long as such sales and use taxes are in effect.

(3) If a county imposes an additional regular property tax levy under RCW **84.52.821**, the county may not impose sales and use taxes under RCW **82.14.525** so long as such property tax levy is in effect.

(4) All revenue from taxes imposed under this chapter must be credited to a special fund in the treasury of the county imposing such tax and used solely for the purpose of paying all or any part of the cost of cultural access programs as provided in this chapter.

[**2015 3rd sp.s. c 24 § 401.**]

NOTES:

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

RCW 36.160.090

Public benefits.

(1) A program created under this chapter must provide or continue to provide funding authorized under this chapter only to cultural organizations that provide discernible public benefits. Each program created under this chapter must identify a range of public benefits that cultural organizations may provide or continue to provide in satisfaction of this requirement for eligibility to receive funding authorized under this chapter. The public benefits include, without limitation: Reasonable opportunities for access to facilities, programs, and services on a reduced or no admission fee basis, particularly for diverse and underserved populations and communities; providing, through technological and other means, services or programs in locations other than an organization's own facilities; providing educational programs and experiences both at an organization's own facilities and in schools and other venues; broadening cultural programs, performances, and exhibitions for the enlightenment and entertainment of the public; supporting collaborative relationships with other cultural organizations in order to extend the reach and impact of the collaborating organizations for the benefit of the public; and, in the case of community-based cultural organizations, organizational capacity-building projects or activities that an organization can demonstrate, to the reasonable satisfaction of the designated entity, will enhance the ability of the organization to provide or continue to provide meaningful public benefits not otherwise achievable.

(2) Each program created under this chapter must adopt guidelines establishing a baseline standard of continuous performance with respect to the provision of public benefits required under this chapter and for evaluating the eligibility of any cultural organization to receive funds under this chapter based on the continuous performance of the organization in the provision of the public benefits. The guidelines must include: (a) Procedures for notifying any organization at risk of losing its eligibility to receive funds under this chapter for failure to achieve the program's baseline standard of performance with respect to the continuous provision of public benefits; and (b) measures or procedures available to the organization for either retaining or recovering eligibility, as appropriate.

[2015 3rd sp.s. c 24 § 501.]

NOTES:

Construction—2015 3rd sp.s. c 24: See note following RCW [36.160.030](#).

RCW [36.160.100](#)

Public school cultural access program.

A program created under this chapter must develop and provide a public school cultural access program, as provided in RCW [36.160.110](#).

[2020 c 192 § 2; 2015 3rd sp.s. c 24 § 502.]

NOTES:

Construction—2015 3rd sp.s. c 24: See note following RCW [36.160.030](#).

RCW 36.160.110**Use of funds—Allocation.**

A program in a county must allocate the proceeds of taxes authorized under RCW **82.14.525** and **84.52.821** as follows:

(1) If any start-up funding has been provided to the program under RCW **36.160.040** with the expectation that the funding will be repaid, the program must annually reserve from total funds available funding sufficient to provide for repayment of such start-up funding until any such start-up funding has been fully repaid;

(2) The funding determined by the county forming such a program to be reserved for program costs, including direct administrative costs, and repaying any start-up funding provided under RCW **36.160.040**. Information disclosing the amount of funding to be reserved for program administrative costs must be included in any proposition submitted to voters under RCW **82.14.525** or **84.52.821**;

(3) The county must determine the percentage of total funds available annually to be reserved for a public school cultural access program established and managed by the county to increase access to cultural activities and programming for public school students resident in the county. A public school cultural access program must provide every school in the county a list of appropriate off-site cultural experiences and a list of appropriate on-site cultural experiences for each grade level, every year. Information notifying schools of available transportation funding must be included in the list of off-site cultural experiences. The activities and programming need not be located or provided within the county. In developing its program, the county may consider providing funding for music and arts education in public schools that is in addition to that provided for in the program of basic education funding. A public school cultural access program must provide transportation to off-site cultural experiences for all students at all schools in the county that are located within a school district in which at least forty percent of the district's students are eligible for the federal free and reduced-price school meals program. The county may limit its spending on the transportation benefit to no more than five percent of funds collected each year under RCW **36.160.080**;

(4) Remaining funds available annually, including all funds not initially reserved under subsections (1), (2), and (3) of this section as well as funds not distributed by the county from the reserved funds, must be distributed by the county to the entity designated by the legislative authority of the county creating the program. The county must determine:

(a) Guidelines, consistent with the requirements of this chapter, it deems necessary or appropriate for determining the eligibility of cultural organizations to receive funding under this chapter;

(b) Criteria for the award of funds to eligible cultural organizations, including the public benefits to be derived from projects submitted for funding;

(c) The amount of funding to be allocated to support designated entity administrative costs;

(d) Criteria for the identification by the county or, if so directed by the county, by the designated entity of any cultural organization or organizations that would receive annual distributions of funds in such amounts determined by the county or, if so directed by the county, the designated entity;

(e) Procedures to be used by the designated entity in awarding funding to other cultural organizations that may, but are not required to include a periodic competitive process for awarding funds for particular purposes or projects proposed by eligible cultural organizations; and

(f) Procedures to be used by the designated entity in considering the award of funding to community preservation and development authorities formed under chapter **43.167** RCW, if any exist within the county. The procedures must ensure the eligibility of and consider support for the projects and programs identified in the strategic preservation and development plans, adopted pursuant to RCW **43.167.030**, of each community preservation and development authority within the county;

(5) In evaluating requests for funding authorized under this chapter, the designated entity responsible for the distribution of the funds must consider the public benefits that any cultural organizations represented will be derived from proposed projects. At the conclusion of a project

approved for funding, such organization is required to report to the designated entity on the public benefits realized;

(6) Funds distributed to cultural organizations may be used to support cultural and educational activities, programs, and initiatives; public benefits and communications; and basic operations. Funds may also be used for: (a) Capital expenditures or acquisitions including, but not limited to, the acquisition of or construction of improvements to real property; and (b) technology, equipment, and supplies reasonably related to or necessary for a project otherwise eligible for funding under this chapter. Program guidelines may also determine the circumstances under which funds may be used to fund start-up expenses of new community-based cultural organizations;

(7) If the county or designated entity determine the eligibility of a cultural organization to receive funding or the relative magnitude of the funding it receives on the basis of its budget, revenues, or expenses, any determination with respect to a qualifying state-related cultural organization must exclude any state funding received by the organization or for the institution it supports.

[2020 c 192 § 3; 2015 3rd sp.s. c 24 § 601.]

NOTES:

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

RCW 36.160.800

Attacks prohibited.

No direct or collateral attack on any program purported to be authorized or created in conformance with this chapter may be commenced more than thirty days after creation.

[2015 3rd sp.s. c 24 § 801.]

NOTES:

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