

**Revitalizing Downtown and Neighborhood Commercial Districts (SHB 2437, Ch. 79, Laws of 2002)**

This bill does not appear to provide any new authority or opportunities for cities. It lets cities (with a population of over 100,000) designate certain areas as "downtown" or "neighborhood commercial districts," undertake certain kinds of revitalization activities, measure the increase in its local sales tax revenue in the areas, and spend that increase on revitalization costs, debt service on bonds issued for projects in these districts, etc.

These are all things that we think any city could have done and can do even if this legislation had not been passed. Under existing statutes, cities already could (and some currently do) define areas and neighborhoods that need improvements and spend city funds for various kinds of improvements, planning, promotional activities, historic preservation, and maintenance and security activities. The funds for doing this come from the general fund of which sales taxes are a part. Apparently no city, so far, has found it to be worth the trouble to keep track of its sales tax from a particular area of the city, but it could have done so if it wished.