



Washington State Heritage Center FAQ's: The Current Situation

What is the Heritage Center?

- The Washington State Heritage Center will house, on the State Capitol Campus, the State Library, State Archives and a great new visitor experience for those visiting the Capitol.
- With educational programs, exhibits, and learning activities visitors will encounter personal stories of great historical and contemporary figures who made Washington what it is today.
- State-of-the-art technology, personal accounts, photographs and artifacts gleaned from the Library, Archives and historical and heritage organizations statewide will bring those figures to life, illustrating Washington as a unique, progressive and groundbreaking state.

The Heritage Center is offering a number of programs now, before the building is constructed.

- The Legacy Project has released 8 new oral histories and biographies this year, including ones for Nancy Evans, Adele Ferguson, Lillian Walker, Justice Charles Z. Smith, and Krist Novoselic.
- An exhibit honoring the Centennial of women's suffrage in Washington will debut in the Office of the Secretary of State in January. It features the first women elected to state-wide office. A second exhibit in March honors Louis Braille and his work to help the blind read.
- A number of live programs are underway beginning this month for Archives Month, author talks at the Library and more planned for 2010. All events are listed on the Heritage Center website.

What is the current status of the Washington State Heritage Center project?

- The project is currently on hold as directed by a proviso adopted by the 2009 Legislature.
- The Heritage Center team is actively researching and planning a scaled down Heritage Center as directed by the proviso that will maintain the vision and stay within a reduced footprint and smaller budget.
- Alternative sites to the original (the site of the General Administration Building) are being studied and have been presented to the Capitol Campus Design Advisory Committee.

What progress had been made on the Heritage Center project by the start of the Legislative session that began in January, 2009:

- The Heritage Center had met all its timeline and budgetary goals for planning.
- Design Development was completed and construction documents were 80% complete.
- Fund raising feasibility study completed and process of recruiting campaign committee underway.

How is the planned revenue stream for the Heritage Center affected by the economic downturn?

- For the Heritage Center funding stream, the recording fees charged on documents recorded in the counties (primarily real estate documents) that took effect on January 1, 2008, was producing revenue.
- The additional fee charged on corporate documents went into effect January 1, 2009. (This fee is a very small percentage of the total fees expected.)
- With the deepening of the recession in the fall of 2008, and its effect on the real estate market and thus the recording fee collections, the fund stream began to run behind predictions.
- Since March, 2009 the recording fee collections have rebounded and are close to predicted levels.
- Overall, it is expected that the total revenue lost due to the recession will be about \$1.5 million.

What steps were taken prior to the Legislative session to offset any loss of revenue due to the recession?

- The planning and design teams worked very hard to shave off as much of the costs for the project as possible, resulting in the project cost coming in under the original budget of \$141 million.
- A review conducted by the Office of Financial Management of county recording fee revenues in the state's 39 counties showed that while there have been ups and downs in the past, the average growth rate in recording fee revenues is 3.2%.
- Governor Gregoire, in support of the Heritage Center, proposed \$27 million in bonds to help make up any losses, if needed.
- In December, 2008, an opinion by the State Treasurer's office indicated that a COP was possible with the proposed funding structure and the back-up of the Governor's bonds.

What issues surfaced during the 2009 session that affected the Heritage Center project?

- The Legislature was pre-occupied with the impact of the recession on state revenues generally and concern over how to balance the state's budget while maintaining essential services.
- Moving the GA tenants to other locations in time for work to begin on the Heritage Center/EOB project was way behind schedule (originally the move and relocation was scheduled for early 2010.)
- In January, 2009, at the depth of the recession, the new State Treasurer's staff was concerned that revenue would not rebound as quickly as the previous treasurer had assumed.
- In addition the Treasurer's office was not interested in pursuing some of the alternate funding plans that came with the Federal stimulus program such as the Build America Bonds or the "63-20" funding plans. Both of these plans offered possible relief, but have not yet been fully investigated for the Heritage Center project.

What action did the 2009 Legislature take regarding the Heritage Center project?

- The Legislature recommended a two year hiatus for the project.
- The Legislature approved investing in a "re-design" to reduce the scope of the project significantly below the vision it had approved in 2007.

What action is the Office of the Secretary of State taking to bring the project back on schedule and with the original vision intact?

- To save resources, staff assigned to the project by the Secretary of State's office and GA have been reduced dramatically.
- We continue to work with supporters in the Legislature, primarily Sen. Karen Fraser, and others around the state, to keep the vision on track and begin work on the Heritage Center in 2010.
- A re-design working with the original architects is allowing us to investigate alternate sites and configurations that will reduce costs and potential delays. Recommendations about site and design will go to the State Capitol Committee in December for their review.
- Recognizing that additional delays not only negate any possible savings from the economy's overall construction slow down, that possible inflation and interest rate increases are forecast, and that the project will only cost more the longer it is delayed, a review of viable financing options is being undertaken with the help of a volunteer ad hoc committee of experts.

Summary:

- While we are sad that the Heritage Center will be on hold due to the economic conditions of the recession, we are confident that with the changes that are currently under study, we will be able to bring this project back online with the original vision intact.

Check our new website for the latest information about the Washington State Heritage Center

www.secstate.wa.gov/heritage