# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

# **Local Government Committee**

# **HB 2950**

**Brief Description:** Addressing concurrency and impact fees for transportation purposes.

**Sponsors:** Representatives Eddy, Simpson, Warnick, Schindler, Takko and Springer.

## **Brief Summary of Bill**

- Establishes a new impact fee mechanism that allows local governments to avoid development prohibitions required by concurrency provisions of the Growth Management Act (GMA).
- Modifies the GMA definition of "concurrent with the development" to include a reference to required impact fee payments.

**Hearing Date:** 1/31/08

**Staff:** Ethan Moreno (786-7386).

### **Background:**

#### *Growth Management Act/Concurrency*

The Growth Management Act (GMA or Act) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the Act (planning jurisdictions) and a reduced number of directives for all other counties and cities. Twenty-nine of Washington's 39 counties, and the cities within those counties, are planning jurisdictions.

The GMA directs planning jurisdictions to adopt internally consistent comprehensive land use plans that are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must address specified planning elements, including transportation, each of which is a subset of a comprehensive plan. Planning jurisdictions must also adopt development regulations that implement and conform with the comprehensive plan.

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The transportation element of a comprehensive plan must include sub-elements that address transportation mandates for forecasting, finance, coordination, and facilities and services needs. A provision of the sub-element for facilities and services needs requires planning jurisdictions to adopt level of service (LOS) standards for all locally-owned arterials and transit routes.

Planning jurisdictions must adopt and enforce ordinances prohibiting development approval if the proposed development will cause the LOS on a locally-owned transportation facility to decline below standards adopted in the transportation element. Exemptions to this prohibition may be made if improvements or strategies to accommodate development impacts are made concurrent with the development. These strategies may include:

- Increased public transportation service;
- Ride sharing programs;
- Demand management; and
- Other transportation systems management strategies.

"Concurrent with the development" means improvements or strategies that are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years.

Transportation elements may also include, in addition to improvements or strategies to accommodate the impacts of development authorized under the GMA, multimodal transportation improvements or strategies that are made concurrent with the development.

### Impact Fees

Planning jurisdictions may impose impact fees on development activity as part of the financing of public facilities needed to serve new growth and development. This financing must provide a balance between impact fees and other sources of public funds and cannot rely solely on impact fees. Impact fees:

- May only be imposed for system improvements, a term defined in statute, that are reasonably related to the new development;
- May not exceed a proportionate share of the costs of system improvements; and
- Must be used for system improvements that will reasonably benefit the new development.

County and city ordinances by which impact fees are imposed must conform with specific statutory requirements. Additionally, impact fees may be collected and spent only for public facilities that are included within a capital facilities plan element of a comprehensive plan. "Public facilities," within the context of impact fee statutes, are the following capital facilities that are owned or operated by government entities:

- Public streets and roads;
- Publicly owned parks, open space, and recreation facilities;
- School facilities; and
- Fire protection facilities in jurisdictions that are not part of a fire district.

#### **Summary of Bill:**

The list of transportation improvements or strategies that planning jurisdictions may use to avoid prohibiting development that causes a locally-owned transportation facility to decline below adopted standards is expanded to include the imposition of impact fees.

The definition of "concurrent with the development" is modified to the include a new concept within the term: the payment of required transportation impact fees for a proposed development.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

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