H-1269.1		

HOUSE BILL 1753

State of Washington 60th Legislature 2007 Regular Session

By Representatives Eddy, Curtis and McCune

Read first time 01/26/2007. Referred to Committee on Local Government.

- 1 AN ACT Relating to transportation concurrency and impact fees under
- the growth management act; and amending RCW 36.70A.070 and 82.02.050.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 4 **Sec. 1.** RCW 36.70A.070 and 2005 c 360 s 2 are each amended to read 5 as follows:
 - The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140.
- Each comprehensive plan shall include a plan, scheme, or design for each of the following:
- 15 (1) A land use element designating the proposed general 16 distribution and general location and extent of the uses of land, where 17 appropriate, for agriculture, timber production, housing, commerce, 18 industry, recreation, open spaces, general aviation airports, public 19 utilities, public facilities, and other land uses. The land use

p. 1 HB 1753

- element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of ground water used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.
 - (2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community.
 - (3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.
- 37 (4) A utilities element consisting of the general location,

HB 1753 p. 2

- proposed location, and capacity of all existing and proposed utilities, including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.
- 4 (5) Rural element. Counties shall include a rural element 5 including lands that are not designated for urban growth, agriculture, 6 forest, or mineral resources. The following provisions shall apply to 7 the rural element:

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- (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural densities and uses that are not characterized by urban growth and that are consistent with rural character.
- (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
 - (i) Containing or otherwise controlling rural development;
- 28 (ii) Assuring visual compatibility of rural development with the 29 surrounding rural area;
- 30 (iii) Reducing the inappropriate conversion of undeveloped land 31 into sprawling, low-density development in the rural area;
 - (iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and ground water resources; and
 - (v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.
 - (d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may

p. 3 HB 1753

allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

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- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.
- (A) A commercial, industrial, residential, shoreline, or mixed-use area shall be subject to the requirements of (d)(iv) of this subsection, but shall not be subject to the requirements of (c)(ii) and (iii) of this subsection.
- (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
- (C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);
- (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
- (iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government

HB 1753 p. 4

- according to RCW $36.70A.030((\frac{14}{14}))$ (15). Rural counties may also 1 2 allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business 3 conforms to the rural character of the area as defined by the local 4 government according to RCW $36.70A.030((\frac{14}{14})))$ (15). Public services 5 and public facilities shall be limited to those necessary to serve the 6 7 isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl; 8
- 9 (iv) A county shall adopt measures to minimize and contain the 10 existing areas or uses of more intensive rural development, appropriate, authorized under this subsection. Lands included in such 11 12 existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of 13 14 low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary 15 delineated predominately by the built environment, but that may also 16 17 include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of 18 more intensive rural development. In establishing the logical outer 19 boundary the county shall address (A) the need to preserve the 20 21 character of existing natural neighborhoods and communities, (B) 22 physical boundaries such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular 23 24 boundaries, and (D) the ability to provide public facilities and public 25 services in a manner that does not permit low-density sprawl;
- 26 (v) For purposes of (d) of this subsection, an existing area or 27 existing use is one that was in existence:

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- (A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;
- 30 (B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions 32 of this chapter under RCW 36.70A.040(2); or
 - (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).
 - (e) Exception. This subsection shall not be interpreted to permit

p. 5 HB 1753

- in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.
 - (6) A transportation element that implements, and is consistent with, the land use element.
 - (a) The transportation element shall include the following subelements:
 - (i) Land use assumptions used in estimating travel;

- (ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of landuse decisions on state-owned transportation facilities;
 - (iii) Facilities and services needs, including:
- (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;
- (B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;
- (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the department of transportation's six-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

HB 1753 p. 6

- (D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;
- (E) Forecasts of traffic for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;
- (F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;
 - (iv) Finance, including:

- (A) An analysis of funding capability to judge needs against probable funding resources;
- (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ((six-year)) ten-year improvement program developed by the department of transportation as required by RCW 47.05.030;
- (C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
- (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
 - (vi) Demand-management strategies;
- (vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.
- (b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards

p. 7 HB 1753

adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development 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. For the purposes of this subsection (6) "concurrent with the development" shall mean that improvements or strategies 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. If a local jurisdiction requires payment of transportation impact fees under RCW 82.02.050, the local jurisdiction shall not prohibit development approvals based on failure to achieve applicable level of service standards adopted in the transportation element of the comprehensive plan.

- (c) The transportation element described in this subsection (6), ((and)) the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year plan required by RCW 47.05.030 for the state, must be consistent.
- (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, work force, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.
- (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an

HB 1753 p. 8

evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

- (9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.
- **Sec. 2.** RCW 82.02.050 and 1994 c 257 s 24 are each amended to read 11 as follows:
 - (1) It is the intent of the legislature:

- (a) To ensure that adequate facilities are available to serve new growth and development;
 - (b) To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and
 - (c) To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.
 - (2) Counties, cities, and towns that are required or choose to plan under RCW 36.70A.040 are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.
 - (3) The impact fees program shall be designed so that each new development subject to the program is assessed for that development's direct impacts on certain specific system improvements, attaining proportionality between a new development's impacts to specific system improvements and the impact fees imposed. The impact fees:
- (a) Shall only be imposed for system improvements that are reasonably related to the new development;
 - (b) Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and

p. 9 HB 1753

1 (c) Shall be used for system improvements that will reasonably 2 benefit the new development.

- (4) Impact fees may be collected and spent only for the public facilities defined in RCW 82.02.090 which are addressed by a capital facilities plan element of a comprehensive land use plan adopted pursuant to the provisions of RCW 36.70A.070 or the provisions for comprehensive plan adoption contained in chapter 36.70, 35.63, or 35A.63 RCW. After the date a county, city, or town is required to adopt its development regulations under chapter 36.70A RCW, continued authorization to collect and expend impact fees shall be contingent on the county, city, or town adopting or revising a comprehensive plan in compliance with RCW 36.70A.070, and on the capital facilities plan identifying:
- (a) Deficiencies in public facilities serving existing development and the means by which existing deficiencies will be eliminated within a reasonable period of time;
- (b) Additional demands placed on existing public facilities by new development; and
- 19 (c) Additional public facility improvements required to serve new 20 development.

If the capital facilities plan of the county, city, or town is complete other than for the inclusion of those elements which are the responsibility of a special district, the county, city, or town may impose impact fees to address those public facility needs for which the county, city, or town is responsible.

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HB 1753 p. 10