## (DIGEST OF PROPOSED 1ST SUBSTITUTE)

Finds that the population in western Washington is growing and will continue to grow. Models indicate that the central Cascades region can expect a doubling of the population within the next one hundred years.

Recognizes that the growth management act has used large lot zoning to discourage residential development of rural and resource lands. However, historical entitlement of smaller lots coupled with rapidly increasing real estate values have led to widespread development of nonurban lots of a variety of sizes, locations, and zoning categories. This problem is exacerbated by recent trends in the timber industry, resulting in ownership changes, accelerated harvesting regimes, and likely conversion of many properties to residential development in the near term. It is reasonable to assume that under a one hundred-year timeframe all nonurban lots are likely to be developed.

Finds that the increase in nonurban development has disproportionate undesirable impacts to landscape and watershed integrity, environmental functions, economic viability of resource lands, and public costs.

Declares that additional approaches to managing rural growth are needed. Success will likely not come from a single strategy; rather, a multifaceted approach is required. Implementation of a region-wide or statewide transfer of development rights program could play a major role in finding a solution.

Declares that the most important component in building a successful transfer of development rights program is creating adequate receiving area capacity. Accommodating dramatic population growth while meeting resource conservation goals over the next one hundred years will require greatly increasing receiving area capacity. It is a regional goal to direct growth to urban areas, and therefore it is a priority to develop this receiving capacity primarily in urban areas. In addition, the potential for additional receiving areas in appropriate nonurban areas is being explored concurrently.

Declares that a county planning under RCW 36.70A.040 may designate no more than one rural village in the rural area outside of limited areas of more intensive rural development established pursuant to RCW 36.70A.070(5)(d).