

HOUSE BILL REPORT

HB 1626

As Reported by House Committee On:
Local Government & Housing

Title: An act relating to establishing a pilot program authorizing designation of industrial land banks outside urban growth areas under certain circumstances.

Brief Description: Establishing a pilot program authorizing designation of industrial land banks outside urban growth areas under certain circumstances.

Sponsors: Representatives Fromhold (co-prime sponsor), Dunn (co-prime sponsor), Ogden, Pennington, Jarrett and Mulliken.

Brief History:

Committee Activity:

Local Government & Housing: 2/12/01, 2/26/01 [DPS].

Brief Summary of Substitute Bill

- Specifies that the bill relates to establishing a pilot program authorizing designation of industrial land banks outside urban growth areas under certain circumstances.

HOUSE COMMITTEE ON LOCAL GOVERNMENT & HOUSING

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Dunshee, Democratic Co-Chair; Mulliken, Republican Co-Chair; Mielke, Republican Vice Chair; Berkey, Crouse, DeBolt, Dunn, Edmonds, Hatfield, Jarrett and Kirby.

Staff: Caroleen Dineen (786-7156).

Background:

According to the Growth Management Act (GMA), counties meeting specified growth criteria must adopt comprehensive plans that include a land use element, a rural element, a transportation element, and several other elements. A county that does not meet the criteria may choose to plan under the GMA. Currently 29 of Washington's 39 counties plan under the GMA.

Each county planning under the GMA must designate an urban growth area (UGA) sufficient to permit the urban growth expected to occur over the next 20 years. Counties must encourage urban growth within UGAs and may allow growth outside UGAs if it is not urban in nature. Limited intensive rural development, including development of existing industrial areas, is allowed outside UGAs in the rural element and does not constitute urban growth.

The GMA contains several exceptions to the general prohibition against urban growth outside UGAs:

- Fully contained communities meeting certain criteria are permitted;
- Master planned resorts, self-contained and fully integrated planned unit developments in a setting of significant natural amenities, may be authorized if specified conditions are met; and
- Specific major industrial developments may be sited outside UGAs if criteria are met.

On a pilot project basis, industrial land banks were permitted in counties meeting specified criteria (Clallam, Clark, Grant, Lewis and Whatcom were eligible for this pilot). Eligible counties were authorized to designate a bank of no more than two master planned locations suitable for manufacturing or industrial businesses that:

- required a parcel of land so large no suitable parcels are available within the UGA;
- are natural resource-based industries requiring a location near resource land upon which it is dependent; or
- require a location with characteristics such as proximity to transportation facilities or related industries such that there is no suitable location in an UGA.

The bank could not be for retail commercial development or multitenant office parks. The following criteria had to be met to establish a location for a land bank:

- Provision for new infrastructure or payment of impact fees;
- Implementation of transit-oriented site planning and traffic demand management programs;
- Buffering between the development and adjacent nonurban areas;
- Provision of environmental protection, including air and water quality;
- Establishment of development regulations to ensure urban growth will not occur in adjacent nonurban areas;
- Mitigation of adverse impacts on resource lands;
- Consistency of the development plan with critical areas regulations; and
- Preparation of an inventory determining land suitable to site the location is unavailable within the UGA.

The pilot program authority expired on December 31, 1999.

Summary of Substitute Bill:

A provision is included specifying that this bill relates to establishing a pilot program authorizing designation of industrial land banks outside urban growth areas under certain circumstances.

Substitute Bill Compared to Original Bill:

The substitute eliminates provisions: (1) authorizing a new pilot project, until December 31, 2007, for the counties authorized by the initial pilot project to establish land banks (eligible counties included Clallam, Clark, Grant, Lewis, and Whatcom); (2) requiring eligible counties to satisfy the criteria established for the initial pilot project and to adopt development regulations specifying: (a) the industrial land bank site is to be used primarily for locating industrial and manufacturing businesses; (b) the gross floor area of all commercial and service buildings may not exceed 10 percent of the total gross floor area of the land bank; (c) commercial and service businesses should be supportive of or complementary to the primary industrial or manufacturing businesses in the land bank; and (d) commercial and service businesses should be established in the land bank concurrently with or subsequent to industrial or manufacturing businesses; (3) requiring eligible counties using or intending to use the authority to review the need for land bank designations during the review and evaluation of their Growth Management Act comprehensive plans and development regulations; and (4) specifying any location included in an industrial land bank on or before December 31, 1999, under the initial pilot project authority remains available for major industrial development if the statutory criteria continue to be satisfied.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: (In support) One-size-fits-all does not work for economic development. Clark County was not prepared initially to work with the industrial land bank authority but now has an interest in expanding an industrial area farther along Interstate 5. Clark County is really suffering with the lack of availability of industrial land, with a 750-acre capacity and a 3,000-acre need. This bill has been worked with environmental, business, and development interests and will hopefully increase employment opportunities.

Testimony Against: (Concerns) A concern exists regarding the authority to allow up to 10 percent of the area for nonindustrial development if the provision is not made more specific to require these businesses to be ancillary to the industrial development. Commercial centers and other commercial and retail uses should not be moved outside urban growth areas.

Testified: (In support) Representative Fromhold, co-prime sponsor; Representative Dunn, co-prime sponsor; Mike Flynn, Washington Association of Realtors; and Sharon Wylie, Clark County.

(Concerns) Dave Williams, Association of Washington Cities.