

# FINAL BILL REPORT

## ESHB 1997

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Synopsis as Enacted

**Brief Description:** Revising provisions relating to industrial land banks.

**Sponsors:** By House Committee on Local Government & Housing (originally sponsored by Representatives Alexander, DeBolt, Doumit, Mulliken, Dunshee, Mielke, Kessler, Hatfield and Ogden).

**House Committee on Local Government & Housing**  
**Senate Committee on State & Local Government**

**Background:**

Under the Growth Management Act (GMA), counties meeting specified growth criteria must satisfy specified planning requirements, including the adoption of comprehensive plans and designation of urban growth areas (UGAs) sufficient to permit the urban growth expected to occur over the next 20 years. A county that does not meet the criteria may choose to plan under the GMA. Twenty-nine of Washington's 39 counties plan under the GMA.

Counties must encourage urban growth within UGAs and may allow growth outside UGAs if it is not urban in nature. The GMA contains several exceptions to the general prohibition against urban growth outside UGAs, including provisions for fully contained communities, master planned resorts, and specific major industrial developments under specified conditions. For a limited time, counties meeting specified population, geographic, and unemployment criteria were authorized to designate a bank of no more than two master planned locations suitable for manufacturing or industrial businesses that:

- require 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 may not be for retail commercial development or multitenant office parks.

The following criteria had to be met to establish a location for an industrial 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 counties eligible to use the industrial land bank authority were Clark, Whatcom, Lewis, Grant and Clallam. The authority expired on December 31, 1999.

**Summary:**

Counties meeting specified population, geographic, and unemployment criteria may establish industrial land banks until December 31, 2002. Counties eligible to use this authority include any county meeting all of the following criteria:

- population greater than 40,000 but fewer than 80,000;
- location in the Interstate 5 or Interstate 90 corridor; and
- average level of unemployment for the preceding three years that exceeds the average state unemployment for those years by 20 percent.

Currently, Grant County and Lewis County satisfy all three criteria. Until December 31, 2002, eligible counties may establish a process for designating a bank of no more than two master planned locations for major industrial activity outside urban growth areas (UGAs). Land banks designated by eligible counties must meet the statutory criteria for establishing a land bank initially specified for the authority terminating on December 31, 1999. Any location included in an industrial land bank on or before December 31, 2002, by an eligible county is available for major industrial development if the statutory criteria are satisfied.

**Votes on Final Passage:**

House 96 0  
 Senate 47 1 (Senate amended)  
 House (House refused to concur)  
 Senate (Senate receded)  
 Senate 43 3

**Effective:** July 22, 2001