

***Local Government & Housing
Committee***

HB 1997

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

Sponsors: *Representatives Alexander, DeBolt, Doumit, Mulliken, Dunshee, Mielke, Kessler, Hatfield and Ogden.*

Brief Summary of Bill

- *Authorizes a new pilot program period -- ending December 31, 2002 -- for the counties originally authorized to establish industrial land banks.*
- *Authorizes eligible counties to designate a reserve area for industrial activity for beyond a 20-year planning period and requires development regulations to ensure compatibility of allowed uses in the reserve area with future industrial activity.*

Hearing Date: *2/22/01*

Staff: *Caroleen Dineen (786-7156).*

Background:

Under 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.*
- *Specific major industrial developments may be sited outside UGAs if criteria are met. A major industrial development is a specific manufacturing, industrial, or commercial business that either: (1) requires a parcel of land so large that no suitable parcels exist within UGAs; or (2) is a natural resource-based industry requiring a location near resource land upon which it is dependent.*

On a pilot project basis, industrial land banks were permitted in five counties (Clark, Whatcom, Lewis, Grant and Clallam). These five counties 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 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 Bill:

A new pilot project for establishing industrial land banks is authorized for the counties originally authorized to establish land banks (eligible counties include Clallam, Clark, Grant, Lewis, and Whatcom). During the new pilot project period, 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 specified for the initial pilot project.

Eligible counties also are authorized to designate a reserve area for industrial activity for beyond a 20-year planning period. Development regulations must ensure compatibility of allowed uses in the reserve area with future industrial activity.

The new pilot project authority expires December 31, 2002. Any location included in an industrial land bank on or before December 31, 2002, under the pilot project authority remains available for major industrial development if the statutory criteria continue to be satisfied.

Changes are made to "master planned" references related to industrial land bank locations.

Appropriation: *None.*

Fiscal Note: *Not Requested.*

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