

ESHB 1727 - S AMD 271
By Senator Fairley

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 36.70A.070 and 2005 c 360 s 2 are each amended to
4 read as follows:

5 The comprehensive plan of a county or city that is required or
6 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,
7 and descriptive text covering objectives, principles, and standards
8 used to develop the comprehensive plan. The plan shall be an
9 internally consistent document and all elements shall be consistent
10 with the future land use map. A comprehensive plan shall be adopted
11 and amended with public participation as provided in RCW 36.70A.140.

12 Each comprehensive plan shall include a plan, scheme, or design for
13 each of the following:

14 (1) A land use element designating the proposed general
15 distribution and general location and extent of the uses of land, where
16 appropriate, for agriculture, timber production, housing, commerce,
17 industry, recreation, open spaces, general aviation airports, public
18 utilities, public facilities, and other land uses. The land use
19 element shall include population densities, building intensities, and
20 estimates of future population growth. The land use element shall
21 designate, as appropriate, a sufficient quantity of land needed for
22 residential uses based on the growth allocated to the county or city
23 that is within the range of the growth management population
24 projections made for the county by the office of financial management,
25 and a sufficient quantity of land needed for commercial, industrial,
26 and other nonresidential uses. The land use element shall provide for
27 protection of the quality and quantity of ground water used for public
28 water supplies. Wherever possible, the land use element should
29 consider utilizing urban planning approaches that promote physical
30 activity. Where applicable, the land use element shall review

1 drainage, flooding, and storm water run-off in the area and nearby
2 jurisdictions and provide guidance for corrective actions to mitigate
3 or cleanse those discharges that pollute waters of the state, including
4 Puget Sound or waters entering Puget Sound.

5 (2) A housing element ensuring the vitality and character of
6 established residential neighborhoods that: (a) Includes an inventory
7 and analysis of existing and projected housing needs that identifies
8 the number of housing units necessary to ~~((manage))~~ accommodate
9 projected growth; (b) includes a statement of goals, policies,
10 objectives, and mandatory provisions for the preservation, improvement,
11 and development of housing, including single-family residences; (c)
12 identifies a sufficient quantity of land suitable for meeting the
13 existing and projected housing needs identified in (a) of this
14 subsection, including, but not limited to, government-assisted housing,
15 housing for low-income families, manufactured housing, multifamily
16 housing, and group homes and foster care facilities; and (d) makes
17 adequate provisions for existing and projected needs of all economic
18 segments of the community.

19 (3) A capital facilities plan element consisting of: (a) An
20 inventory of existing capital facilities owned by public entities,
21 showing the locations and capacities of the capital facilities; (b) a
22 forecast of the future needs for such capital facilities; (c) the
23 proposed locations and capacities of expanded or new capital
24 facilities; (d) at least a six-year plan that will finance such capital
25 facilities within projected funding capacities and clearly identifies
26 sources of public money for such purposes; and (e) a requirement to
27 reassess the land use element if probable funding falls short of
28 meeting existing needs and to ensure that the land use element, capital
29 facilities plan element, and financing plan within the capital
30 facilities plan element are coordinated and consistent. Park and
31 recreation facilities shall be included in the capital facilities plan
32 element.

33 (4) A utilities element consisting of the general location,
34 proposed location, and capacity of all existing and proposed utilities,
35 including, but not limited to, electrical lines, telecommunication
36 lines, and natural gas lines.

37 (5) Rural element. Counties shall include a rural element

1 including lands that are not designated for urban growth, agriculture,
2 forest, or mineral resources. The following provisions shall apply to
3 the rural element:

4 (a) Growth management act goals and local circumstances. Because
5 circumstances vary from county to county, in establishing patterns of
6 rural densities and uses, a county may consider local circumstances,
7 but shall develop a written record explaining how the rural element
8 harmonizes the planning goals in RCW 36.70A.020 and meets the
9 requirements of this chapter.

10 (b) Rural development. The rural element shall permit rural
11 development, forestry, and agriculture in rural areas. The rural
12 element shall provide for a variety of rural densities, uses, essential
13 public facilities, and rural governmental services needed to serve the
14 permitted densities and uses. To achieve a variety of rural densities
15 and uses, counties may provide for clustering, density transfer, design
16 guidelines, conservation easements, and other innovative techniques
17 that will accommodate appropriate rural densities and uses that are not
18 characterized by urban growth and that are consistent with rural
19 character.

20 (c) Measures governing rural development. The rural element shall
21 include measures that apply to rural development and protect the rural
22 character of the area, as established by the county, by:

- 23 (i) Containing or otherwise controlling rural development;
- 24 (ii) Assuring visual compatibility of rural development with the
25 surrounding rural area;
- 26 (iii) Reducing the inappropriate conversion of undeveloped land
27 into sprawling, low-density development in the rural area;
- 28 (iv) Protecting critical areas, as provided in RCW 36.70A.060, and
29 surface water and ground water resources; and
- 30 (v) Protecting against conflicts with the use of agricultural,
31 forest, and mineral resource lands designated under RCW 36.70A.170.

32 (d) Limited areas of more intensive rural development. Subject to
33 the requirements of this subsection and except as otherwise
34 specifically provided in this subsection (5)(d), the rural element may
35 allow for limited areas of more intensive rural development, including
36 necessary public facilities and public services to serve the limited
37 area as follows:

1 (i) Rural development consisting of the infill, development, or
2 redevelopment of existing commercial, industrial, residential, or
3 mixed-use areas, whether characterized as shoreline development,
4 villages, hamlets, rural activity centers, or crossroads developments.

5 (A) A commercial, industrial, residential, shoreline, or mixed-use
6 area shall be subject to the requirements of (d)(iv) of this
7 subsection, but shall not be subject to the requirements of (c)(ii) and
8 (iii) of this subsection.

9 (B) Any development or redevelopment other than an industrial area
10 or an industrial use within a mixed-use area or an industrial area
11 under this subsection (5)(d)(i) must be principally designed to serve
12 the existing and projected rural population.

13 (C) Any development or redevelopment in terms of building size,
14 scale, use, or intensity shall be consistent with the character of the
15 existing areas. Development and redevelopment may include changes in
16 use from vacant land or a previously existing use so long as the new
17 use conforms to the requirements of this subsection (5);

18 (ii) The intensification of development on lots containing, or new
19 development of, small-scale recreational or tourist uses, including
20 commercial facilities to serve those recreational or tourist uses, that
21 rely on a rural location and setting, but that do not include new
22 residential development. A small-scale recreation or tourist use is
23 not required to be principally designed to serve the existing and
24 projected rural population. Public services and public facilities
25 shall be limited to those necessary to serve the recreation or tourist
26 use and shall be provided in a manner that does not permit low-density
27 sprawl;

28 (iii) The intensification of development on lots containing
29 isolated nonresidential uses or new development of isolated cottage
30 industries and isolated small-scale businesses that are not principally
31 designed to serve the existing and projected rural population and
32 nonresidential uses, but do provide job opportunities for rural
33 residents. Rural counties may allow the expansion of small-scale
34 businesses as long as those small-scale businesses conform with the
35 rural character of the area as defined by the local government
36 according to RCW 36.70A.030(~~((+14))~~) (15). Rural counties may also
37 allow new small-scale businesses to utilize a site previously occupied
38 by an existing business as long as the new small-scale business

1 conforms to the rural character of the area as defined by the local
2 government according to RCW 36.70A.030(~~((+14))~~) (15). Public services
3 and public facilities shall be limited to those necessary to serve the
4 isolated nonresidential use and shall be provided in a manner that does
5 not permit low-density sprawl;

6 (iv) A county shall adopt measures to minimize and contain the
7 existing areas or uses of more intensive rural development, as
8 appropriate, authorized under this subsection. Lands included in such
9 existing areas or uses shall not extend beyond the logical outer
10 boundary of the existing area or use, thereby allowing a new pattern of
11 low-density sprawl. Existing areas are those that are clearly
12 identifiable and contained and where there is a logical boundary
13 delineated predominately by the built environment, but that may also
14 include undeveloped lands if limited as provided in this subsection.
15 The county shall establish the logical outer boundary of an area of
16 more intensive rural development. In establishing the logical outer
17 boundary the county shall address (A) the need to preserve the
18 character of existing natural neighborhoods and communities, (B)
19 physical boundaries such as bodies of water, streets and highways, and
20 land forms and contours, (C) the prevention of abnormally irregular
21 boundaries, and (D) the ability to provide public facilities and public
22 services in a manner that does not permit low-density sprawl;

23 (v) For purposes of (d) of this subsection, an existing area or
24 existing use is one that was in existence:

25 (A) On July 1, 1990, in a county that was initially required to
26 plan under all of the provisions of this chapter;

27 (B) On the date the county adopted a resolution under RCW
28 36.70A.040(2), in a county that is planning under all of the provisions
29 of this chapter under RCW 36.70A.040(2); or

30 (C) On the date the office of financial management certifies the
31 county's population as provided in RCW 36.70A.040(5), in a county that
32 is planning under all of the provisions of this chapter pursuant to RCW
33 36.70A.040(5).

34 (e) Exception. This subsection shall not be interpreted to permit
35 in the rural area a major industrial development or a master planned
36 resort unless otherwise specifically permitted under RCW 36.70A.360 and
37 36.70A.365.

1 (6) A transportation element that implements, and is consistent
2 with, the land use element.

3 (a) The transportation element shall include the following
4 subelements:

5 (i) Land use assumptions used in estimating travel;

6 (ii) Estimated traffic impacts to state-owned transportation
7 facilities resulting from land use assumptions to assist the department
8 of transportation in monitoring the performance of state facilities, to
9 plan improvements for the facilities, and to assess the impact of land-
10 use decisions on state-owned transportation facilities;

11 (iii) Facilities and services needs, including:

12 (A) An inventory of air, water, and ground transportation
13 facilities and services, including transit alignments and general
14 aviation airport facilities, to define existing capital facilities and
15 travel levels as a basis for future planning. This inventory must
16 include state-owned transportation facilities within the city or
17 county's jurisdictional boundaries;

18 (B) Level of service standards for all locally owned arterials and
19 transit routes to serve as a gauge to judge performance of the system.
20 These standards should be regionally coordinated;

21 (C) For state-owned transportation facilities, level of service
22 standards for highways, as prescribed in chapters 47.06 and 47.80 RCW,
23 to gauge the performance of the system. The purposes of reflecting
24 level of service standards for state highways in the local
25 comprehensive plan are to monitor the performance of the system, to
26 evaluate improvement strategies, and to facilitate coordination between
27 the county's or city's six-year street, road, or transit program and
28 the department of transportation's six-year investment program. The
29 concurrency requirements of (b) of this subsection do not apply to
30 transportation facilities and services of statewide significance except
31 for counties consisting of islands whose only connection to the
32 mainland are state highways or ferry routes. In these island counties,
33 state highways and ferry route capacity must be a factor in meeting the
34 concurrency requirements in (b) of this subsection;

35 (D) Specific actions and requirements for bringing into compliance
36 locally owned transportation facilities or services that are below an
37 established level of service standard;

1 (E) Forecasts of traffic for at least ten years based on the
2 adopted land use plan to provide information on the location, timing,
3 and capacity needs of future growth;

4 (F) Identification of state and local system needs to meet current
5 and future demands. Identified needs on state-owned transportation
6 facilities must be consistent with the statewide multimodal
7 transportation plan required under chapter 47.06 RCW;

8 (iv) Finance, including:

9 (A) An analysis of funding capability to judge needs against
10 probable funding resources;

11 (B) A multiyear financing plan based on the needs identified in the
12 comprehensive plan, the appropriate parts of which shall serve as the
13 basis for the six-year street, road, or transit program required by RCW
14 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795
15 for public transportation systems. The multiyear financing plan should
16 be coordinated with the ((~~six-year~~)) ten-year improvement program
17 developed by the department of transportation as required by RCW
18 47.05.030;

19 (C) If probable funding falls short of meeting identified needs, a
20 discussion of how additional funding will be raised, or how land use
21 assumptions will be reassessed to ensure that level of service
22 standards will be met;

23 (v) Intergovernmental coordination efforts, including an assessment
24 of the impacts of the transportation plan and land use assumptions on
25 the transportation systems of adjacent jurisdictions;

26 (vi) Demand-management strategies;

27 (vii) Pedestrian and bicycle component to include collaborative
28 efforts to identify and designate planned improvements for pedestrian
29 and bicycle facilities and corridors that address and encourage
30 enhanced community access and promote healthy lifestyles.

31 (b) After adoption of the comprehensive plan by jurisdictions
32 required to plan or who choose to plan under RCW 36.70A.040, local
33 jurisdictions must adopt and enforce ordinances which prohibit
34 development approval if the development causes the level of service on
35 a locally owned transportation facility to decline below the standards
36 adopted in the transportation element of the comprehensive plan, unless
37 transportation improvements or strategies to accommodate the impacts of
38 development are made concurrent with the development. These strategies

1 may include increased public transportation service, ride sharing
2 programs, demand management, and other transportation systems
3 management strategies. For the purposes of this subsection (6)
4 "concurrent with the development" shall mean that improvements or
5 strategies are in place at the time of development, or that a financial
6 commitment is in place to complete the improvements or strategies
7 within six years.

8 (c) The transportation element described in this subsection (6),
9 and the six-year plans required by RCW 35.77.010 for cities, RCW
10 36.81.121 for counties, and RCW 35.58.2795 for public transportation
11 systems, and the ten-year plan required by RCW 47.05.030 for the state,
12 must be consistent.

13 (7) An economic development element establishing local goals,
14 policies, objectives, and provisions for economic growth and vitality
15 and a high quality of life. The element shall include: (a) A summary
16 of the local economy such as population, employment, payroll, sectors,
17 businesses, sales, and other information as appropriate; (b) a summary
18 of the strengths and weaknesses of the local economy defined as the
19 commercial and industrial sectors and supporting factors such as land
20 use, transportation, utilities, education, work force, housing, and
21 natural/cultural resources; and (c) an identification of policies,
22 programs, and projects to foster economic growth and development and to
23 address future needs. A city that has chosen to be a residential
24 community is exempt from the economic development element requirement
25 of this subsection.

26 (8) A park and recreation element that implements, and is
27 consistent with, the capital facilities plan element as it relates to
28 park and recreation facilities. The element shall include: (a)
29 Estimates of park and recreation demand for at least a ten-year period;
30 (b) an evaluation of facilities and service needs; and (c) an
31 evaluation of intergovernmental coordination opportunities to provide
32 regional approaches for meeting park and recreational demand.

33 (9) It is the intent that new or amended elements required after
34 January 1, 2002, be adopted concurrent with the scheduled update
35 provided in RCW 36.70A.130. Requirements to incorporate any such new
36 or amended elements shall be null and void until funds sufficient to
37 cover applicable local government costs are appropriated and

1 distributed by the state at least two years before local government
2 must update comprehensive plans as required in RCW 36.70A.130.

3 **Sec. 2.** RCW 36.70A.090 and 1990 1st ex.s. c 17 s 9 are each
4 amended to read as follows:

5 A comprehensive plan (~~(should)~~) may provide for innovative land use
6 management techniques, including, but not limited to, density bonuses,
7 cluster housing, planned unit developments, mixed-use development,
8 accessory dwelling units, and the transfer of development rights.
9 Jurisdictions that are not subject to the requirements of RCW
10 43.63A.215 may provide for accessory dwelling units in their
11 comprehensive plans and development regulations.

12 NEW SECTION. **Sec. 3.** A new section is added to chapter 36.70A RCW
13 to read as follows:

14 Two or more cities sharing common borders and located in the same
15 county, or two or more cities sharing a common border and located
16 within adjacent counties, in coordination with countywide and
17 multicounty planning bodies, may agree to establish a subregion in
18 order to address housing and employment markets that cross
19 jurisdictional boundaries through appropriate amendments to each city's
20 comprehensive plan and to countywide planning policies and multicounty
21 policies. The policies proposed by the cities under this section may
22 include, but are not limited to:

23 (1) Policies that reallocate among the cities in the subregion the
24 population growth established for each local government under RCW
25 36.70A.110;

26 (2) Policies that provide for a sufficient number of housing units
27 to accommodate the existing housing needs and projected population
28 growth in the subregion; and

29 (3) Policies that provide for sufficient land suitable for
30 development to meet the needs for commercial and industrial growth in
31 the subregion.

32 **Sec. 4.** RCW 36.70A.110 and 2004 c 206 s 1 are each amended to read
33 as follows:

34 (1) In accordance with the requirements of this chapter, each
35 county that is required or chooses to plan under RCW 36.70A.040 shall

1 designate an urban growth area or areas within which urban growth shall
2 be encouraged and outside of which growth can occur only if it is not
3 urban in nature. Each city that is located in such a county shall be
4 included within an urban growth area. An urban growth area may include
5 more than a single city. An urban growth area may include territory
6 that is located outside of a city only if such territory already is
7 characterized by urban growth whether or not the urban growth area
8 includes a city, or is adjacent to territory already characterized by
9 urban growth, or is a designated new fully contained community as
10 defined by RCW 36.70A.350.

11 (2) Based upon the growth management population projection made for
12 the county by the office of financial management, the county and each
13 city within the county shall include areas and densities sufficient to
14 permit the urban growth that is projected to occur in the county or
15 city for the succeeding twenty-year period, except for those urban
16 growth areas contained totally within a national historical reserve.

17 Each urban growth area shall permit urban densities and shall
18 include greenbelt and open space areas. In the case of urban growth
19 areas contained totally within a national historical reserve, the city
20 may restrict densities, intensities, and forms of urban growth as
21 determined to be necessary and appropriate to protect the physical,
22 cultural, or historic integrity of the reserve. An urban growth area
23 determination may include a reasonable land market supply factor and
24 shall permit a range of urban densities and uses. In determining this
25 market factor, cities and counties may consider local circumstances.
26 Cities and counties have discretion in their comprehensive plans to
27 make many choices about accommodating growth.

28 Within one year of July 1, 1990, each county that as of June 1,
29 1991, was required or chose to plan under RCW 36.70A.040, shall begin
30 consulting with each city located within its boundaries and each city
31 shall propose the location of an urban growth area. Within sixty days
32 of the date the county legislative authority of a county adopts its
33 resolution of intention or of certification by the office of financial
34 management, all other counties that are required or choose to plan
35 under RCW 36.70A.040 shall begin this consultation with each city
36 located within its boundaries. The county shall attempt to reach
37 agreement with each city on the location of an urban growth area within
38 which the city is located. If such an agreement is not reached with

1 each city located within the urban growth area, the county shall
2 justify in writing why it so designated the area an urban growth area.
3 A city may object formally with the department over the designation of
4 the urban growth area within which it is located. Where appropriate,
5 the department shall attempt to resolve the conflicts, including the
6 use of mediation services.

7 (3) Counties subject to RCW 36.70A.215 and counties with a
8 population greater than four hundred thousand must:

9 (a) Consult and cooperate with each city within an urban growth
10 area proposed for modification prior to and concurrent with actions to
11 modify the urban growth area within which the city or cities are
12 located;

13 (b) Upon the request of the city or cities, consult and cooperate
14 with a city or cities that abut an unincorporated urban growth area or
15 areas about adopting consistent development regulations with those of
16 the city or cities located within or adjacent to the urban growth area
17 or areas;

18 (c) Adopt, or amend as necessary, development regulations for new
19 development in unincorporated territory, within an urban growth area or
20 subsequent urban growth area, where the unincorporated territory is
21 entirely surrounded, excluding unincorporated waters of the state, by
22 incorporated territory and as of January 1, 2008, did not contain any
23 residents. Except for new development projects containing twenty or
24 fewer dwelling units or thirty thousand square feet or less of
25 commercial or industrial development, development regulations
26 applicable to all other new development in unincorporated territory
27 identified in this subsection must be jointly developed and adopted by
28 the county and the adjacent city or cities that receive the primary
29 traffic and development impacts, and through which the unincorporated
30 territory receives its only vehicular access. Impact fees that are
31 collected under new development in an unincorporated territory as
32 described in this subsection must be transferred to the surrounding
33 city or cities; and

34 (d) Submit a report to the appropriate committees of the house of
35 representatives and the senate by December 1, 2008, summarizing
36 findings and recommendations that result from the consultations and
37 cooperation required in (a) through (c) of this subsection. The

1 reports required in this subsection may be submitted by individual
2 jurisdictions or jointly by participating jurisdictions.

3 (4) Urban growth should be located first in areas already
4 characterized by urban growth that have adequate existing public
5 facility and service capacities to serve such development, second in
6 areas already characterized by urban growth that will be served
7 adequately by a combination of both existing public facilities and
8 services and any additional needed public facilities and services that
9 are provided by either public or private sources, and third in the
10 remaining portions of the urban growth areas. Urban growth may also be
11 located in designated new fully contained communities as defined by RCW
12 36.70A.350.

13 ((+4)) (5) In general, cities are the units of local government
14 most appropriate to provide urban governmental services. In general,
15 it is not appropriate that urban governmental services be extended to
16 or expanded in rural areas except in those limited circumstances shown
17 to be necessary to protect basic public health and safety and the
18 environment and when such services are financially supportable at rural
19 densities and do not permit urban development.

20 ((+5)) (6) On or before October 1, 1993, each county that was
21 initially required to plan under RCW 36.70A.040(1) shall adopt
22 development regulations designating interim urban growth areas under
23 this chapter. Within three years and three months of the date the
24 county legislative authority of a county adopts its resolution of
25 intention or of certification by the office of financial management,
26 all other counties that are required or choose to plan under RCW
27 36.70A.040 shall adopt development regulations designating interim
28 urban growth areas under this chapter. Adoption of the interim urban
29 growth areas may only occur after public notice; public hearing; and
30 compliance with the state environmental policy act, chapter 43.21C RCW,
31 and RCW 36.70A.110. Such action may be appealed to the appropriate
32 growth management hearings board under RCW 36.70A.280. Final urban
33 growth areas shall be adopted at the time of comprehensive plan
34 adoption under this chapter.

35 ((+6)) (7) Each county shall include designations of urban growth
36 areas in its comprehensive plan.

37 ((+7)) (8) An urban growth area designated in accordance with this

1 section may include within its boundaries urban service areas or
2 potential annexation areas designated for specific cities or towns
3 within the county.

4 **Sec. 5.** RCW 36.70A.540 and 2006 c 149 s 2 are each amended to read
5 as follows:

6 (1)(a) Any city or county planning under RCW 36.70A.040 may enact
7 or expand affordable housing incentive programs providing for the
8 development of low-income housing units through development regulations
9 on residential, commercial, industrial, and mixed use development. An
10 affordable housing incentive program may include, but is not limited
11 to:

- 12 (i) Density bonuses within the urban growth area;
- 13 (ii) Height and bulk bonuses;
- 14 (iii) Fee waivers or exemptions;
- 15 (iv) Parking reductions; or
- 16 (v) Expedited permitting, conditioned on provision of low-income
17 housing units(~~(+or~~
- 18 ~~(vi) Mixed use projects~~)).

19 (b) The city or county may enact or expand such programs whether or
20 not the programs may impose a tax, fee, or charge on the development or
21 construction of property.

22 (c) If a developer chooses not to participate in an optional
23 affordable housing incentive program adopted and authorized under this
24 section, a city, county, or town may not condition, deny, or delay the
25 issuance of a permit or development approval that is consistent with
26 zoning and development standards on the subject property absent
27 incentive provisions of this program.

28 (2) Affordable housing incentive programs enacted or expanded under
29 this section that provide a bonus or incentive to residential
30 development shall comply with the following:

31 (a) The incentives or bonuses shall provide for the construction of
32 low-income housing units;

33 (b) Jurisdictions shall establish standards for low-income renter
34 or owner occupancy housing, including income guidelines consistent with
35 local housing needs, to assist low-income households that cannot afford
36 market-rate housing. Low-income households are defined for renter and
37 owner occupancy program purposes as follows:

1 (i) Rental housing units to be developed shall be affordable to and
2 occupied by households with an income of fifty percent or less of the
3 county median family income, adjusted for family size; and

4 (ii) Owner occupancy housing units shall be affordable to and
5 occupied by households with an income of eighty percent or less of the
6 county median family income, adjusted for family size. The legislative
7 authority of a jurisdiction, after holding a public hearing, may
8 establish lower income levels. The legislative authority of a
9 jurisdiction, after holding a public hearing, may also establish higher
10 income levels for rental housing or for owner occupancy housing upon
11 finding that higher income levels are needed to address local housing
12 market conditions. The higher income level for rental housing may not
13 exceed eighty percent of the county area median family income. The
14 higher income level for owner occupancy housing may not exceed one
15 hundred percent of the county area median family income. These
16 established higher income levels (~~((must be))~~) are considered
17 "low-income" for the purposes of this section;

18 (c) The jurisdiction shall establish a maximum rent level or sales
19 price for each low-income housing unit developed under the terms of a
20 program and may adjust these levels or prices based on the average size
21 of the household expected to occupy the unit. For renter-occupied
22 housing units, the total housing costs, including basic utilities as
23 determined by the jurisdiction, may not exceed thirty percent of the
24 income limit for the low-income housing unit;

25 (d) Low-income housing units shall be provided in a range of sizes
26 comparable to (~~((those))~~) other units (~~((that are available to other
27 residents))~~) in the housing development for which a bonus or incentive
28 is provided. To the extent practicable, the number of bedrooms in
29 low-income units must be in the same proportion as the number of
30 bedrooms in units within the entire building. The low-income units
31 shall generally be distributed throughout the building(~~((, except that
32 units may be provided in an adjacent building))~~) or buildings. The
33 low-income units shall have substantially the same functionality as the
34 other units in the building or buildings;

35 (e) Low-income housing units developed under an affordable housing
36 incentive program shall be committed to continuing affordability for at
37 least fifty years. A local government, however, may accept payments in
38 lieu of continuing affordability. The program shall include measures

1 to enforce continuing affordability and income standards applicable to
2 low-income units constructed under this section that may include, but
3 are not limited to, covenants, options, or other agreements to be
4 executed and recorded by owners and developers;

5 (f) Programs authorized under subsection (1) of this section may
6 apply to part or all of a jurisdiction and different standards may be
7 applied to different areas within a jurisdiction. Programs authorized
8 under this section may be modified to meet local needs and may include
9 provisions not expressly provided in this section or RCW 82.02.020; and

10 (g) Low-income housing units developed under an affordable housing
11 incentive program are encouraged to be provided within market-rate
12 housing developments for which a bonus or incentive is provided.
13 However, programs may allow units to be provided in ~~((an adjacent))~~ a
14 building ~~((and))~~ located in the vicinity of the housing development for
15 which a bonus or incentive is provided. Affordable housing incentive
16 programs may allow payments of money or property in lieu of low-income
17 housing units if the payment ~~((equals))~~ achieves a result equal to or
18 better than providing the affordable housing on-site, and provided the
19 payment does not exceed the approximate cost of developing the same
20 number and quality of housing units that would otherwise be developed.
21 Any city or county shall use these funds or property to support the
22 purchase or development of low-income housing ~~((, including))~~. Any city
23 or county may also use these funds or property to support ~~((provided~~
24 ~~through))~~ loans or grants to low-income home buyers, and public or
25 private owners or developers of housing.

26 (3) Affordable housing incentive programs enacted or expanded under
27 this section may be applied within the jurisdiction to address the need
28 for increased residential development, consistent with local growth
29 management and housing policies, as follows:

30 (a) The jurisdiction shall identify certain land use designations
31 within a geographic area where increased residential development will
32 assist in achieving local growth management and housing policies;

33 (b) The jurisdiction shall provide increased residential
34 development capacity through zoning changes, bonus densities, height
35 and bulk increases, parking reductions, or other regulatory changes or
36 other incentives;

37 (c) The jurisdiction shall determine that increased residential

1 development capacity or other incentives can be achieved within the
2 identified area, subject to consideration of other regulatory controls
3 on development; and

4 (d) The jurisdiction may establish a minimum amount of affordable
5 housing that must be provided by all residential developments being
6 built under the revised regulations, consistent with the requirements
7 of this section.

8 (4) Affordable housing incentive programs enacted or expanded under
9 this section that provide a bonus or incentive to commercial or
10 industrial development shall comply with the following:

11 (a) The city or county may enact or expand development regulations,
12 conditional rezones, or development approvals that allow greater
13 building height, more development capacity, different uses, or more
14 relaxed development standards, that otherwise would apply to a
15 commercial or industrial development, or that grant other incentives to
16 the development, with a requirement that low-income housing be provided
17 or preserved, either on or off of the development site, or with the
18 requirement that the developer provide payments of money or property to
19 be used for low-income housing.

20 (b) Jurisdictions shall establish standards for low-income renter
21 or owner occupancy housing, including income guidelines consistent with
22 local housing needs, to assist low-income households that cannot afford
23 market-rate housing. Low-income households are defined for renter and
24 owner occupancy program purposes as follows:

25 (i) Rental housing units to be developed shall be affordable to and
26 occupied by households with an income of fifty percent or less of the
27 county median family income, adjusted for family size; and

28 (ii) Owner occupancy housing units shall be affordable to and
29 occupied by households with an income of eighty percent or less of the
30 county median family income, adjusted for family size.

31 The legislative authority of a jurisdiction, after holding a public
32 hearing, may establish lower income levels. The legislative authority
33 of a jurisdiction, after holding a public hearing, may also establish
34 higher income levels for rental housing or for owner occupancy housing
35 upon finding that higher income levels are needed to address local
36 housing market conditions. The higher income level for rental housing
37 may not exceed eighty percent of the county area median family income.
38 The higher income level for owner occupancy housing may not exceed one

1 hundred percent of the county area median family income. These
2 established higher income levels are considered low income for the
3 purposes of this section.

4 (c) Housing units created, acquired, or preserved pursuant to
5 incentive programs must be committed to remain as affordable housing
6 for at least fifty years. A city or county may establish or agree to
7 terms on which a commitment may be reduced or terminated based on the
8 provision of substitute affordable housing or a payment to be used for
9 affordable housing."

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By Senator

10 On page 1, line 2 of the title, after "growth;" strike the
11 remainder of the title and insert "amending RCW 36.70A.070, 36.70A.090,
12 36.70A.110, and 36.70A.540; and adding a new section to chapter 36.70A
13 RCW."

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