E2SHB 2160 - S COMM AMD

By Committee on Local Government, Land Use & Tribal Affairs

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that the state has 3 made groundbreaking investments in state-of-the-art mass transit and 4 intermodal infrastructure. The legislature finds that to maximize the 5 6 state's return on these investments, land use policies and practices must allow housing development to keep pace with progress being 7 implemented in transportation infrastructure development. 8 The legislature also intends new development to reflect the state's 9 commitment to affordable housing and vibrant, walkable, accessible 10 11 urban environments that improve health, expand multimodal transportation options, and include varied community facilities, 12 13 parks, and green spaces that are open to people of all income levels. The legislature recognizes that cities planning under chapter 14 36.70A RCW require direction and technical assistance to ensure the 15 16 benefits of state transportation investments are maximized and shared 17 equitably while avoiding unnecessary programmatic and cost burdens to local governments in their comprehensive planning, code enactment, 18 19 and permit processing workloads. The legislature further recognizes 20 that regulatory flexibility and local control are also important 21 features of optimal planning outcomes.

22 Sec. 2. RCW 36.70A.030 and 2023 c 332 s 2 and 2023 c 228 s 14 23 are each reenacted and amended to read as follows:

24 Unless the context clearly requires otherwise, the definitions in 25 this section apply throughout this chapter.

(1) "Active transportation" means forms of pedestrian mobility including walking or running, the use of a mobility assistive device such as a wheelchair, bicycling and cycling irrespective of the number of wheels, and the use of small personal devices such as foot scooters or skateboards. Active transportation includes both

1 traditional and electric assist bicycles and other devices. Planning 2 for active transportation must consider and address accommodation 3 pursuant to the Americans with disabilities act and the distinct 4 needs of each form of active transportation.

5 (2) "Active transportation facilities" means facilities provided 6 for the safety and mobility of active transportation users including, 7 but not limited to, trails, as defined in RCW 47.30.005, sidewalks, 8 bike lanes, shared-use paths, and other facilities in the public 9 right-of-way.

(3) "Administrative design review" means a development permit 10 process whereby an application is reviewed, approved, or denied by 11 12 the planning director or the planning director's designee based solely on objective design and development standards without a public 13 predecision hearing, unless such review is otherwise required by 14 state or federal law, or the structure is a designated landmark or 15 16 historic district established under a local preservation ordinance. A 17 city may utilize public meetings, hearings, or voluntary review 18 boards to consider, recommend, or approve requests for variances from locally established design review standards. 19

20 (4) "Adopt a comprehensive land use plan" means to enact a new 21 comprehensive land use plan or to update an existing comprehensive 22 land use plan.

(5) "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed ((thirty)) <u>30</u> percent of the monthly income of a household whose income is:

(a) For rental housing, 60 percent of the median household income
adjusted for household size, for the county where the household is
located, as reported by the United States department of housing and
urban development; or

31 (b) For owner-occupied housing, 80 percent of the median 32 household income adjusted for household size, for the county where 33 the household is located, as reported by the United States department 34 of housing and urban development.

(6) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland

hatcheries, or livestock, and that has long-term commercial
 significance for agricultural production.

(7) "City" means any city or town, including a code city.

(8) "Comprehensive land use plan," "comprehensive plan," or
"plan" means a generalized coordinated land use policy statement of
the governing body of a county or city that is adopted pursuant to
this chapter.

8 (9) "Cottage housing" means residential units on a lot with a 9 common open space that either: (a) Is owned in common; or (b) has 10 units owned as condominium units with property owned in common and a 11 minimum of 20 percent of the lot size as open space.

12 (10) "Courtyard apartments" means up to four attached dwelling 13 units arranged on two or three sides of a yard or court.

(11) "Critical areas" include the following areas and ecosystems: 14 (a) Wetlands; (b) areas with a critical recharging effect on aquifers 15 16 used for potable water; (c) fish and wildlife habitat conservation 17 areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not 18 19 include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage 20 ditches that lie within the boundaries of and are maintained by a 21 port district or an irrigation district or company. 22

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(12) "Department" means the department of commerce.

(13) "Development regulations" or "regulation" means the controls 24 25 placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas 26 ordinances, shoreline master programs, official controls, planned 27 28 unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development 29 regulation does not include a decision to approve a project permit 30 31 application, as defined in RCW 36.70B.020, even though the decision 32 may be expressed in a resolution or ordinance of the legislative body 33 of the county or city.

(14) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.

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1 (15) "Emergency shelter" means a facility that provides a 2 temporary shelter for individuals or families who are currently 3 homeless. Emergency shelter may not require occupants to enter into a 4 lease or an occupancy agreement. Emergency shelter facilities may 5 include day and warming centers that do not provide overnight 6 accommodations.

(16) "Environmental justice" means the fair treatment and 7 meaningful involvement of all people regardless of race, color, 8 or income with respect to development, 9 national origin, 10 implementation, and enforcement of environmental laws, regulations, 11 and policies. Environmental justice includes addressing 12 disproportionate environmental and health impacts in all laws, rules, and policies with environmental impacts by prioritizing vulnerable 13 and overburdened communities 14 populations and the equitable 15 distribution of resources and benefits.

16 (17) "Extremely low-income household" means a single person, 17 family, or unrelated persons living together whose adjusted income is 18 at or below ((thirty)) <u>30</u> percent of the median household income 19 adjusted for household size, for the county where the household is 20 located, as reported by the United States department of housing and 21 urban development.

(18) "Floor area ratio" means a measure of development intensity equal to building square footage divided by the developable property square footage. Developable property excludes public facilities and portions of lots with critical areas and critical area buffers as designated in RCW 36.70A.060, except for critical aquifer recharge areas where a single-family detached house is an allowed use provided that any requirements to maintain aquifer recharge are met.

(19) "Forestland" means land primarily devoted to growing trees 29 for long-term commercial timber production on land that can be 30 31 economically and practically managed for such production, including 32 Christmas trees subject to the excise tax imposed under RCW 84.33.100 33 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees 34 for long-term commercial timber production on land that can be 35 economically and practically managed for such production, the 36 following factors shall be considered: (a) The proximity of the land 37 to urban, suburban, and rural settlements; (b) surrounding parcel 38 39 size and the compatibility and intensity of adjacent and nearby land 40 uses; (c) long-term local economic conditions that affect the ability s-5159.1/24 Code Rev/AI:roy 4

1 to manage for timber production; and (d) the availability of public 2 facilities and services conducive to conversion of forestland to 3 other uses.

(((19))) (20) "Freight rail dependent uses" means buildings and 4 other infrastructure that are used in the fabrication, processing, 5 6 storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are 7 both urban and rural development for purposes of this chapter. 8 "Freight rail dependent uses" does not include buildings and other 9 infrastructure that are used in the fabrication, processing, storage, 10 11 and transport of coal, liquefied natural gas, or "crude oil" as 12 defined in RCW 90.56.010.

13 (((20))) <u>(21)</u> "Geologically hazardous areas" means areas that 14 because of their susceptibility to erosion, sliding, earthquake, or 15 other geological events, are not suited to the siting of commercial, 16 residential, or industrial development consistent with public health 17 or safety concerns.

18 (((21))) (22) "Green infrastructure" means a wide array of 19 natural assets and built structures within an urban growth area 20 boundary, including parks and other areas with protected tree canopy, 21 and management practices at multiple scales that manage wet weather 22 and that maintain and restore natural hydrology by storing, 23 infiltrating, evapotranspiring, and harvesting and using stormwater.

24 (((22))) <u>(23)</u> "Green space" means an area of land, vegetated by 25 natural features such as grass, trees, or shrubs, within an urban 26 context and less than one acre in size that creates public value 27 through one or more of the following attributes:

- (a) Is accessible to the public;
- 29 (b) Promotes physical and mental health of residents;
- 30 (c) Provides relief from the urban heat island effects;
- 31 (d) Promotes recreational and aesthetic values;
- 32 (e) Protects streams or water supply; or

33 (f) Preserves visual quality along highway, road, or street 34 corridors.

35 (((23))) (24) "Long-term commercial significance" includes the 36 growing capacity, productivity, and soil composition of the land for 37 long-term commercial production, in consideration with the land's 38 proximity to population areas, and the possibility of more intense 39 uses of the land.

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1 (((24))) (25) "Low-income household" means a single person, 2 family, or unrelated persons living together whose adjusted income is 3 at or below ((eighty)) <u>80</u> percent of the median household income 4 adjusted for household size, for the county where the household is 5 located, as reported by the United States department of housing and 6 urban development.

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(((25))) (26) "Major transit stop" means:

8 (a) A stop on a high capacity transportation system funded or 9 expanded under the provisions of chapter 81.104 RCW;

10 (b) Commuter rail stops;

11 (c) Stops on rail or fixed guideway systems; or

12 (d) Stops on bus rapid transit routes.

13 (((26))) (27) "Middle housing" means buildings that are 14 compatible in scale, form, and character with single-family houses 15 and contain two or more attached, stacked, or clustered homes 16 including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, 17 townhouses, stacked flats, courtyard apartments, and cottage housing.

18 (((27))) <u>(28)</u> "Minerals" include gravel, sand, and valuable 19 metallic substances.

20 (((28))) (29) "Moderate-income household" means a single person, 21 family, or unrelated persons living together whose adjusted income is 22 at or below 120 percent of the median household income adjusted for 23 household size, for the county where the household is located, as 24 reported by the United States department of housing and urban 25 development.

26 (((29))) <u>(30)</u> "Overburdened community" means a geographic area 27 where vulnerable populations face combined, multiple environmental 28 harms and health impacts, and includes, but is not limited to, highly 29 impacted communities as defined in RCW 19.405.020.

30 (((30))) <u>(31)</u> "Per capita vehicle miles traveled" means the 31 number of miles traveled using cars and light trucks in a calendar 32 year divided by the number of residents in Washington. The 33 calculation of this value excludes vehicle miles driven conveying 34 freight.

35 (((31))) (32) "Permanent supportive housing" is subsidized, 36 leased housing with no limit on length of stay that prioritizes 37 people who need comprehensive support services to retain tenancy and 38 utilizes admissions practices designed to use lower barriers to entry 39 than would be typical for other subsidized or unsubsidized rental 40 housing, especially related to rental history, criminal history, and 40 Code Rev/AI:roy 6 S-5159.1/24

1 personal behaviors. Permanent supportive housing is paired with onsite or off-site voluntary services designed to support a person 2 living with a complex and disabling behavioral health or physical 3 health condition who was experiencing homelessness or was at imminent 4 risk of homelessness prior to moving into housing to retain their 5 6 housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing 7 with community-based health care, treatment, or employment services. 8 Permanent supportive housing is subject to all of the rights and 9 10 responsibilities defined in chapter 59.18 RCW.

11 (((32))) (33) "Public facilities" include streets, roads, 12 highways, sidewalks, street and road lighting systems, traffic 13 signals, domestic water systems, storm and sanitary sewer systems, 14 parks and recreational facilities, and schools.

15 (((33))) <u>(34)</u> "Public services" include fire protection and 16 suppression, law enforcement, public health, education, recreation, 17 environmental protection, and other governmental services.

18 (((34))) (35) "Recreational land" means land so designated under 19 RCW 36.70A.1701 and that, immediately prior to this designation, was 20 designated as agricultural land of long-term commercial significance 21 under RCW 36.70A.170. Recreational land must have playing fields and 22 supporting facilities existing before July 1, 2004, for sports played 23 on grass playing fields.

24 (((35))) <u>(36)</u> "Rural character" refers to the patterns of land 25 use and development established by a county in the rural element of 26 its comprehensive plan:

(a) In which open space, the natural landscape, and vegetationpredominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based
economies, and opportunities to both live and work in rural areas;

31 (c) That provide visual landscapes that are traditionally found 32 in rural areas and communities;

33 (d) That are compatible with the use of the land by wildlife and 34 for fish and wildlife habitat;

35 (e) That reduce the inappropriate conversion of undeveloped land 36 into sprawling, low-density development;

37 (f) That generally do not require the extension of urban 38 governmental services; and

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1 (g) That are consistent with the protection of natural surface 2 water flows and groundwater and surface water recharge and discharge 3 areas.

((((36))) (37) "Rural development" refers to development outside 4 the urban growth area and outside agricultural, forest, and mineral 5 resource lands designated pursuant to RCW 36.70A.170. Rural 6 development can consist of a variety of uses and residential 7 densities, including clustered residential development, at levels 8 that are consistent with the preservation of rural character and the 9 requirements of the rural element. Rural development does not refer 10 11 to agriculture or forestry activities that may be conducted in rural 12 areas.

13 (((37))) (38) "Rural governmental services" or "rural services" 14 include those public services and public facilities historically and 15 typically delivered at an intensity usually found in rural areas, and 16 may include domestic water systems and fire and police protection 17 services associated with rural development and normally not 18 associated with urban areas. Rural services do not include storm or 19 sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

20 (((38))) <u>(39)</u> "Short line railroad" means those railroad lines 21 designated class II or class III by the United States surface 22 transportation board.

23 (((39))) <u>(40)</u> "Single-family zones" means those zones where 24 single-family detached housing is the predominant land use.

25 (((40))) <u>(41)</u> "Stacked flat" means dwelling units in a 26 residential building of no more than three stories on a residential 27 zoned lot in which each floor may be separately rented or owned.

(((41))) <u>(42) "Station area" means all lots that are:</u>

29 (a) Fully within an urban growth area; and

30 (b) Fully or partially within:

31 (i) One-half mile walking distance of an entrance to a train 32 station with a stop on a light rail system, a commuter rail stop, or 33 a stop on rail or fixed guideway systems; or

34 (ii) One-quarter mile walking distance of a stop on a fixed route 35 bus system that is designated as a bus rapid transit stop in the 36 transit development plan as required in RCW 35.58.2795, for which an 37 environmental determination has been issued as required under chapter 38 43.21C RCW, and that features fixed transit assets that indicate 39 permanent, high capacity service including, but not limited to,

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<u>elevated platforms or enhanced stations, off-board fare collection,</u>
 <u>dedicated lanes, busways, or transit signal priority.</u>

3 <u>(43)</u> "Townhouses" means buildings that contain three or more 4 attached single-family dwelling units that extend from foundation to 5 roof and that have a yard or public way on not less than two sides.

6 (((42))) <u>(44)</u> "Transportation system" means all infrastructure 7 and services for all forms of transportation within a geographical 8 area, irrespective of the responsible jurisdiction or transportation 9 provider.

10 (((43))) <u>(45)</u> "Urban governmental services" or "urban services" 11 include those public services and public facilities at an intensity 12 historically and typically provided in cities, specifically including 13 storm and sanitary sewer systems, domestic water systems, street 14 cleaning services, fire and police protection services, public 15 transit services, and other public utilities associated with urban 16 areas and normally not associated with rural areas.

17 ((((44))) (46) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and 18 19 impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural 20 21 products, or fiber, or the extraction of mineral resources, rural 22 uses, rural development, and natural resource lands designated 23 pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban 24 25 growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by 26 urban growth" refers to land having urban growth located on it, or to 27 28 land located in relationship to an area with urban growth on it as to 29 be appropriate for urban growth.

30 (((45))) (47) "Urban growth areas" means those areas designated 31 by a county pursuant to RCW 36.70A.110.

32 (((46))) (48) "Very low-income household" means a single person, 33 family, or unrelated persons living together whose adjusted income is 34 at or below ((fifty)) 50 percent of the median household income 35 adjusted for household size, for the county where the household is 36 located, as reported by the United States department of housing and 37 urban development.

38 (((47))) <u>(49)</u>(a) "Vulnerable populations" means population groups 39 that are more likely to be at higher risk for poor health outcomes in 40 response to environmental harms, due to: (i) Adverse socioeconomic Code Rev/AI:roy 9 S-5159.1/24 factors, such as unemployment, high housing and transportation costs relative to income, limited access to nutritious food and adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms; and (ii) sensitivity factors, such as low birth weight and higher rates of hospitalization.

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(b) "Vulnerable populations" includes, but is not limited to:

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(i) Racial or ethnic minorities;

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(ii) Low-income populations; and

10 (iii) Populations disproportionately impacted by environmental 11 harms.

12 (((48))) (50) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency 13 14 duration sufficient to support, and that under normal and circumstances do support, a prevalence of vegetation typically 15 16 adapted for life in saturated soil conditions. Wetlands generally 17 include swamps, marshes, bogs, and similar areas. Wetlands do not 18 include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and 19 drainage ditches, grass-lined swales, canals, detention facilities, 20 wastewater treatment facilities, farm ponds, and landscape amenities, 21 22 or those wetlands created after July 1, 1990, that were 23 unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands 24 25 intentionally created from nonwetland areas created to mitigate conversion of wetlands. 26

27 (((49))) <u>(51)</u> "Wildland urban interface" means the geographical 28 area where structures and other human development meets or 29 intermingles with wildland vegetative fuels.

30 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 36.70A 31 RCW to read as follows:

32 (1) Cities planning under RCW 36.70A.040 may not enact or enforce 33 any development regulation within a station area that would prohibit 34 the siting of multifamily residential housing on lots where any other 35 residential use is permissible.

36 (2)(a) Cities planning under RCW 36.70A.040 must allow new 37 residential and mixed-use development within any station area at the 38 transit-oriented development density of:

1 (i) At least 3.5 floor area ratio, on average, within one-half 2 mile walking distance of an entrance to a train station with a stop 3 on a light rail system, a commuter rail stop, or a stop on rail or 4 fixed guideway systems; and

(ii) At least 2.5 floor area ratio, on average, or at least a 3.0 5 6 floor area ratio, on average if a city exempts up to 25 percent of station areas, within one-quarter mile walking distance of a stop on 7 a fixed route bus system that is designated as a bus rapid transit 8 stop in the transit development plan as required in RCW 35.58.2795, 9 for which an environmental determination has been issued as required 10 under chapter 43.21C RCW, and that features fixed transit assets that 11 12 indicate permanent, high capacity service including, but not limited to, elevated platforms or enhanced stations, off-board fare 13 collection, dedicated lanes, busways, or transit signal priority. 14

(b) A city planning under RCW 36.70A.040 may adopt a modification to a station area designation, but only after consultation with and approval by the department.

18 (c) Cities planning under RCW 36.70A.040 may not enact or enforce 19 any development regulation that imposes:

(i) A maximum floor area ratio of less than the transit-oriented
development density in this subsection for any residential or mixeduse development within a station area, unless a city has adopted an
exemption for the station area under (a) (ii) of this subsection; or

(ii) A maximum residential density, measured in residential unitsper acre or other metric of land area within a station area.

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(3) For the purposes of this section:

(a) "Mixed-use development" means a building with more than 50percent of the gross floor area dedicated to residential uses.

(b) "Stop" includes any existing stop and any stop funded for 29 development and projected for construction within an applicable six-30 31 year transit development plan under RCW 35.58.2795. "Stop" does not 32 include a stop used exclusively for bus service, including express bus service operated by a regional transit agency as defined under 33 chapter 81.104 RCW and trolley buses, unless the stop also serves a 34 fixed route bus system as a designated bus rapid transit stop in the 35 transit development plan as required in RCW 35.58.2795, for which an 36 environmental determination has been issued as required under chapter 37 43.21C RCW, and that features fixed transit assets that indicate 38 39 permanent, high capacity service including, but not limited to,

elevated platforms or enhanced stations, off-board fare collection,
 dedicated lanes, busways, or transit signal priority.

3 (4) The department must develop guidance to convert different
4 types of planning measurements to the transit-oriented development
5 density requirements and applicable floor area ratios.

6 (5) (a) Within any station area, any building in which all units are affordable housing for at least 50 years or are dedicated to 7 permanent supportive housing, an additional 1.5 floor area ratio in 8 excess of the transit-oriented development density required under 9 subsection (2)(a) of this section must be permitted. If a city has 10 11 enacted or expands a program under RCW 36.70A.540 in an area where 12 development regulations must comply with this section, that program, including the amount of affordable housing required either on-site or 13 through an in-lieu payment, governs to the extent it varies from the 14 requirements of this subsection. 15

(b) For the purposes of this subsection (5), "affordable housing" means residential housing with a monthly cost, including utilities other than telephone, that does not exceed 30 percent of the monthly income of a household whose income is no more than 80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(6) Any floor area within a building located in a station area that is reserved for residential units in multifamily housing that includes at least three bedrooms must not be counted toward applicable floor area ratio limits. A city may require the residential units to comply with affordability requirements to be eligible for an exclusion from the applicable floor area ratio limits.

30 (7) Cities planning under RCW 36.70A.040 may by ordinance 31 designate parts of a station area in which to enact or enforce floor 32 area ratios for residential or mixed-use development that are more or 33 less than the applicable transit-oriented development density, if the 34 average maximum floor area ratio of all residential and mixed-use 35 areas within a station area is no less than the applicable transit-36 oriented development density.

37 (8) At least 10 percent of all residential units in buildings
 38 constructed within a station area must be maintained as affordable
 39 housing for at least 50 years, unless:

1 (a) The building is constructed on a lot in which a density that 2 meets or exceeds the transit-oriented development density in 3 subsection (2) of this section was authorized prior to January 1, 4 2024;

5 (b) The building is subject to affordability requirements with a 6 lower income threshold or a greater amount of required affordable 7 housing that were enacted by a city prior to January 1, 2024; or

(c) A city has enacted or expands a mandatory program under RCW 8 36.70A.540 that requires a minimum amount of affordable housing that 9 must be provided by residential development, either on-site or 10 11 through an in-lieu payment as allowed by RCW 36.70A.540, in an area 12 where development regulations must comply with this section. Such mandatory program may be enacted, modified, or expanded by a city in 13 coordination with adopting regulations to comply with this act, and 14 may require an amount of affordable housing that differs or exceeds 15 16 the amount required. An optional program established under RCW 17 36.70A.540 does not meet the requirements of this subsection (8)(c).

(9) Nothing in this section prohibits a city from approving an exemption under chapter 84.14 RCW for multifamily residential housing within a station area that meets the affordability requirements in subsection (8) of this section and the requirements of chapter 84.14 RCW.

23 (10) A city that has enacted an incentive program prior to January 1, 2024, that requires public benefits, such as 24 school 25 capacity, greater amounts of affordable housing, green space, or 26 green infrastructure, in return for additional development allowances, may continue to require such public benefits if complying 27 with the requirements of this section provides additional development 28 29 capacity that would have triggered the public benefits requirements.

30 (11)(a) No later than the deadlines established in subsection 31 (16) of this section, cities planning under RCW 36.70A.040 must act 32 to modify or repeal any existing development regulations applicable 33 in a station area that, alone or in combination, are inconsistent 34 with this section, and may not enact any development regulations 35 applicable in a station area that, alone or in combination with other 36 development regulations, are inconsistent with this section.

37 (b) A city may apply any objective development regulations within 38 a station area that are required for other multifamily residential 39 uses in the same zone, including tree canopy and retention 40 requirements.

1 (c) This subsection (11) does not apply to development 2 regulations that are generally applicable health and safety 3 standards, including building code standards and fire and life safety 4 standards.

5 (12) Nothing in this section requires alteration, displacement, 6 or limitation of industrial or agricultural uses or industrial, 7 manufacturing, or agricultural areas within the urban growth area.

8 (13) Nothing in this section requires a city to issue a building 9 permit if other federal, state, and local requirements for a building 10 permit are not met.

(14) Cities planning under RCW 36.70A.040 may exclude from the requirements in this section any portion of a lot that is designated as a shoreline environment governed by a shoreline master program or as a critical area governed by a critical area ordinance, except for critical aquifer recharge areas where a single-family detached house is an allowed use provided that any requirements to maintain aquifer recharge are met, and any lot that:

(a) Is nonconforming with development regulations governing lot 18 dimensions including, but not limited to, standards related to lot 19 width, area, geometry, or street access, unless an applicant 20 21 demonstrates that the nonconforming lot may be developed in 22 compliance with the development regulations governing lot dimensions 23 by obtaining any modification, deviation, variance, or similar code departure approval allowed under the development regulations; 24

(b) Contains a designated landmark or is located within a historic district established under a local preservation ordinance adopted prior to the effective date of this section;

(c) Has been designated as containing urban separators by
 countywide planning policies as of the effective date of this
 section; or

31 (d) Is an industrial, manufacturing, or agricultural designated 32 lot that either is limited to one dwelling unit per lot or only 33 allows housing for individuals and their families responsible for 34 caretaking, farm work, security, or maintenance.

35 (15) For cities subject to a growth target adopted under RCW 36 36.70A.210 that limits the maximum residential capacity of the 37 jurisdiction, any additional residential capacity required by this 38 section may not be considered an inconsistency with the countywide 39 planning policies, multicounty planning policies, or growth targets 40 adopted under RCW 36.70A.210.

1 (16) (a) Any city that is required to review its comprehensive plan by December 31, 2024, as specified in RCW 36.70A.130(5)(a), must 2 comply with the requirements of this section by the earlier of 3 December 31, 2029, or its first implementation progress report due 4 after December 31, 2024, as specified in RCW 36.70A.130(9), and 5 6 thereafter at each comprehensive plan update or implementation progress report following the completion or funding of any transit 7 stop that would create a new station area within the jurisdiction. 8

(b) Any city that is required to review its comprehensive plan 9 after December 31, 2024, as specified in RCW 36.70A.130(5) (b), (c), 10 or (d), must comply with the requirements of this section no later 11 12 than six months after its first comprehensive plan update due after December 31, 2024, and thereafter at each comprehensive plan update 13 or implementation progress report following the completion or funding 14 15 of any transit stop that would create a new station area within the 16 jurisdiction.

(c) A federally recognized Indian tribe may voluntarily choose to participate in the planning process to implement the requirements of this section in accordance with RCW 36.70A.040(8).

20 (17)(a) The department must publish a model transit-oriented 21 development ordinance by June 30, 2026.

(b) In any city subject to this section that has not passed ordinances, regulations, or other official controls by the deadlines required under subsection (16) of this section, the model ordinance supersedes, preempts, and invalidates local development regulations until the city takes all actions necessary to implement this section.

27 (18) A city may seek an extension from the transit-oriented 28 development density requirements of this section by applying to the 29 department for an extension in any areas that are at high risk of displacement based on a city's antidisplacement analysis or 30 an 31 antidisplacement map. The department must review the city's analysis 32 and certify a five-year extension from the requirements of this section for areas at high risk of displacement. The city must create 33 an implementation plan that identifies the antidisplacement policies 34 available to residents to mitigate displacement risk. During the 35 extension, the city may delay implementation or enact alternative 36 floor area ratio requirements within any areas at high risk of 37 displacement. The department may recertify an extension for 38 39 additional five-year periods based on evidence of ongoing 40 displacement risk in the area.

1 (19)(a)(i) The department may approve actions under this 2 subsection (19) for cities that have, by June 30, 2025, adopted a 3 plan and implementing development regulations for a specific station 4 area that are substantially similar to the requirements of this 5 section for that station area. In determining whether a city's 6 adopted plan and development regulations are substantially similar, 7 the department's evaluation may include, but not be limited to, if:

8 (A) The regulations will provide a development capacity and allow 9 the opportunity for creation of affordable housing that is at least 10 equivalent to the amount of development capacity and affordable 11 housing that would be allowed in that station area if the specific 12 provisions of this section were adopted;

13 (B) The jurisdiction offers a way to achieve buildings that 14 exceed 85 feet in height; and

15 (C) No lot within the station area is zoned exclusively for 16 detached single-family residences.

17 (ii) The department must establish by rule any standards or 18 procedures necessary to implement (a) of this subsection.

(b) Any local actions approved by the department pursuant to (a) of this subsection are exempt from appeals under this chapter and chapter 43.21C RCW.

(c) The department's final decision to approve or reject actions by cities under this subsection (19) may be appealed to the growth management hearings board by filing a petition as provided in RCW 36.70A.290.

(20) (a) (i) By August 1, 2024, the governor shall convene a work group to develop a list of antidisplacement guiding principles and strategies. The work group must be comprised, at a minimum, of the following members:

30 (A) Representatives of impacted cities, including at least one 31 representative of a city that does not have extensive staffing or 32 resources;

- 33 (B) A representative of impacted tenants;
- 34 (C) A representative of ethnic or cultural associations;

35 (D) A representative of an organization advocating for affordable 36 housing;

37 (E) A representative of an association representing tenants;

38 (F) A representative with experience developing affordable 39 housing;

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(G) A representative of an organization advocating for nonprofit
 builders of affordable housing;

3 (H) A representative from a development industry association; and

4 (I) Other representatives with experience developing or 5 implementing antidisplacement strategies.

6 (ii) The work group must:

7

(II) THE WOLK GLOUP MUSC.

(A) Develop definitions for displacement and gentrification;

8 (B) Develop a list of recommended antidisplacement strategies, 9 including strategies that mitigate the impacts of displacement and 10 protect against gentrification; and

11 (C) Identify the potential costs and funding sources to implement 12 the strategies.

13 (iii) By September 30, 2025, the work group must submit a report 14 of its findings and recommendations to the department.

(b) By October 15, 2025, the department shall develop, and make available to cities, antidisplacement guiding principles and a list of potential strategies.

18 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 36.70A
19 RCW to read as follows:

Subject to appropriation, the department must establish and administer a capital grant program to assist cities in providing the infrastructure necessary to accommodate development at transitoriented development densities within station areas, including water, sewer, stormwater, and transportation infrastructure and parks and recreation facilities.

26 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 44.28 27 RCW to read as follows:

28 (1) The joint committee shall review jurisdictions' experiences 29 with:

30 (a) The effects of the 10 percent affordable housing requirement 31 under section 3 of this act;

32 (b) In-lieu payment options for affordable housing requirements, 33 including how such payments were structured and the amount of housing 34 created using in-lieu payments; and

35 (c) Requirements for transit-oriented development density around 36 fixed route transit stops providing frequent bus service.

1 (2) In evaluating the impacts under this section, the joint 2 committee must conduct case studies that consider the following 3 factors:

4 (a) The effects on housing supply, including the supply of 5 affordable housing;

6 (b) The implementation of transit-oriented development density 7 regulations; and

8 (c) How statewide transit-oriented development density 9 regulations are interacting with residential housing construction and 10 development in specific cities, including at least one city located 11 east of the crest of the Cascade mountains, at least one city located 12 in a county with a population greater than 900,000 but less than 13 1,000,000, and at least one city located in a county with a 14 population greater than 800,000 but less than 900,000.

15 (3) In conducting its evaluation, the joint committee must 16 consult with the following entities:

17

(a) Representatives of the department of commerce;

18 (b) Representatives of the Washington state housing finance 19 commission;

20 (c) Representatives of the University of Washington's Runstad 21 department of real estate;

(d) Representatives of regional transportation planningorganizations that include cities with station areas;

24 (e) Representatives of transit agencies serving areas that 25 include cities with station areas;

26 (f) Representatives of affordable housing advocacy organizations 27 working in cities with station areas;

28 (g) Representatives of the for-profit housing development 29 industry working in cities with station areas;

30 (h) Representatives of the nonprofit housing development industry 31 working in cities with station areas;

32 (i) Representatives of cities located east of the crest of the33 Cascade mountains; and

34 (j) Representatives of cities located west of the crest of the 35 Cascade mountains.

36 (4) The joint committee must complete the review and evaluation 37 required under this section by June 30, 2035.

38 <u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 36.70A
39 RCW to read as follows:

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1 (1) To encourage transit-oriented development and transit use and resulting substantial environmental benefits, cities planning under 2 RCW 36.70A.040 may not require off-street automobile parking as a 3 condition of permitting residential or mixed-use development within a 4 station area as defined in RCW 36.70A.030, except for off-street 5 6 automobile parking that is permanently marked for the exclusive use of individuals with disabilities or parking that is permanently 7 marked for the short-term exclusive use of delivery vehicles. 8

9 (2) If a project permit application within a station area, as 10 defined in RCW 36.70B.020, does not provide parking in compliance 11 with this section, the proposed absence of parking may not be treated 12 as a basis for issuance of a determination of significance pursuant 13 to chapter 43.21C RCW.

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(3) The parking provisions of this section do not apply:

(a) If a local government submits to the department an empirical 15 16 study prepared by a credentialed transportation or land use planning 17 expert that clearly demonstrates, and the department finds and certifies, that the application of the parking limitations under 18 subsection (1) of this section will be significantly less safe for 19 automobile drivers or passengers, pedestrians, or bicyclists than if 20 21 the jurisdiction's parking requirements were applied to the same 22 location. The department must develop guidance to assist cities and counties on items to include in the study; or 23

(b) To portions of cities within a one-mile radius of a commercial airport in Washington with at least 9,000,000 annual enplanements.

(4) If a residential or mixed-use development provides parking for residential uses in excess of what is required in subsection (1) of this section, cities planning under RCW 36.70A.040 may enact or enforce development regulations to:

31 (a) Require a share of any provided residential parking to be 32 distributed between units designated as affordable housing and units 33 offered at market rate; and

34 (b) Include all or a portion of the cost of unbundled parking 35 charges into the monthly cost for rental units designated as 36 affordable housing.

37 Sec. 7. RCW 43.21C.229 and 2023 c 368 s 1 are each amended to 38 read as follows:

1 (1) The purpose of this section is to accommodate infill and 2 housing development and thereby realize the goals and policies of 3 comprehensive plans adopted according to chapter 36.70A RCW.

4 (2) A city or county planning under RCW 36.70A.040 is authorized 5 by this section to establish categorical exemptions from the 6 requirements of this chapter. An exemption may be adopted by a city 7 or county under this subsection if it meets the following criteria:

8 (a) It categorically exempts government action related to 9 development proposed to fill in an urban growth area, designated 10 according to RCW 36.70A.110, where current density and intensity of 11 use in the area is roughly equal to or lower than called for in the 12 goals and policies of the applicable comprehensive plan and the 13 development is either:

14 (i) Residential development;

15 (ii) Mixed-use development; or

16 (iii) Commercial development up to 65,000 square feet, excluding 17 retail development;

(b) It does not exempt government action related to development that is inconsistent with the applicable comprehensive plan or would clearly exceed the density or intensity of use called for in the goals and policies of the applicable comprehensive plan;

(c) The local government considers the specific probable adverse environmental impacts of the proposed action and determines that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan, subarea plan element of the comprehensive plan, planned action ordinance, or other local, state, or federal rules or laws; and

(d) (i) The city or county's applicable comprehensive plan was previously subjected to environmental analysis through an environmental impact statement under the requirements of this chapter prior to adoption; or

32 (ii) The city or county has prepared an environmental impact 33 statement that considers the proposed use or density and intensity of 34 use in the area proposed for an exemption under this section.

(3) All project actions that propose to develop one or more residential housing units within the incorporated areas in an urban growth area designated pursuant to RCW 36.70A.110 or middle housing within the unincorporated areas in an urban growth area designated pursuant to RCW 36.70A.110, and that meet the criteria identified in (a) and (b) of this subsection, are categorically exempt from the Code Rev/AI:roy 1 requirements of this chapter. For purposes of this section, "middle 2 housing" has the same meaning as in RCW 36.70A.030 as amended by 3 chapter 332, Laws of 2023. Jurisdictions shall satisfy the following 4 criteria prior to the adoption of the categorical exemption under 5 this subsection (3):

6 (a) The city or county shall find that the proposed development 7 is consistent with all development regulations implementing an 8 applicable comprehensive plan adopted according to chapter 36.70A RCW 9 by the jurisdiction in which the development is proposed, with the 10 exception of any development regulation that is inconsistent with 11 applicable provisions of chapter 36.70A RCW; and

12 (b) The city or county has prepared environmental analysis that 13 considers the proposed use or density and intensity of use in the 14 area proposed for an exemption under this section and analyzes 15 multimodal transportation impacts, including impacts to neighboring 16 jurisdictions, transit facilities, and the state transportation 17 system.

(i) Such environmental analysis shall include documentation that 18 19 the requirements for environmental analysis, protection, and mitigation for impacts to elements of the environment have been 20 adequately addressed for the development exempted. The requirements 21 22 may be addressed in locally adopted comprehensive plans, subarea plans, adopted development regulations, other applicable 23 local ordinances and regulations, or applicable state 24 and federal 25 regulations. The city or county must document its consultation with 26 the department of transportation on impacts to state-owned transportation facilities including consideration of whether 27 28 mitigation is necessary for impacts to transportation facilities.

(ii) Before finalizing the environmental analysis pursuant to 29 30 (b)(i) of this subsection (3), the city or county shall provide a 31 minimum of 60 days' notice to affected tribes, relevant state 32 agencies, other jurisdictions that may be impacted, and the public. If a city or county identifies that mitigation measures are necessary 33 to address specific probable adverse impacts, the city or county must 34 address those impacts by requiring mitigation identified in the 35 environmental analysis pursuant to this subsection (3)(b) 36 through locally adopted comprehensive plans, subarea plans, development 37 regulations, or other applicable local ordinances and regulations. 38 39 Mitigation measures shall be detailed in an associated environmental 40 determination.

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1 (iii) The categorical exemption is effective 30 days following 2 action by a city or county pursuant to (b)(ii) of this subsection 3 (3).

(4) Until September 30, 2025, all project actions that propose to 4 develop one or more residential housing or middle housing units 5 6 within a city west of the crest of the Cascade mountains with a population of 700,000 or more are categorically exempt from the 7 requirements of this chapter. After September 30, 2025, project 8 actions that propose to develop one or more residential housing or 9 middle housing units within the city may utilize the categorical 10 exemption in subsection (3) of this section. 11

12 (5) <u>All project actions that propose to develop residential or</u> 13 <u>mixed-use development within a station area are categorically exempt</u> 14 <u>from the requirements of this chapter.</u>

(6) Any categorical exemption adopted by a city or county under 15 this section applies even if it differs from the 16 categorical 17 exemptions adopted by rule of the department under RCW 18 43.21C.110(1)(a). Nothing in this section shall invalidate categorical exemptions or environmental review procedures adopted by 19 a city or county under a planned action pursuant to RCW 43.21C.440. 20 However, any categorical exemption adopted by a city or county under 21 this section shall be subject to the rules of the department adopted 22 23 according to RCW 43.21C.110(1)(a) that provide exceptions to the use of categorical exemptions adopted by the department. 24

25 <u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 64.38
26 RCW to read as follows:

Governing documents created after the effective date of this section and applicable to associations located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transitoriented development density that must be permitted by cities under section 3 of this act or require off-street parking inconsistent or in conflict with section 6 of this act.

34 <u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 64.90 35 RCW to read as follows:

36 Declarations and governing documents created after the effective 37 date of this section and applicable to a common interest community 38 located fully or partially within a station area as defined in RCW Code Rev/AI:roy 22 S-5159.1/24 1 36.70A.030 may not prohibit the construction or development of 2 multifamily housing or transit-oriented development density that must 3 be permitted by cities under section 3 of this act or require off-4 street parking inconsistent or in conflict with section 6 of this 5 act.

6 <u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 64.34 7 RCW to read as follows:

A declaration created after the effective date of this section and applicable to an association located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transitoriented development density that must be permitted by cities under section 3 of this act or require off-street parking inconsistent or in conflict with section 6 of this act.

15 <u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 64.32
16 RCW to read as follows:

A declaration created after the effective date of this section and applicable to an association of apartment owners located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transit-oriented development density that must be permitted by cities under section 3 of this act or require off-street parking inconsistent or in conflict with section 6 of this act."

E2SHB 2160 - S COMM AMD

By Committee on Local Government, Land Use & Tribal Affairs

On page 1, line 2 of the title, after "development;" strike the remainder of the title and insert "amending RCW 43.21C.229; reenacting and amending RCW 36.70A.030; adding new sections to chapter 36.70A RCW; adding a new section to chapter 44.28 RCW; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.90 RCW; adding a new section to chapter 64.34 RCW; adding a new section to chapter 64.32 RCW; and creating a new section."

EFFECT:Amends bus rapid transit stop to include a bus rapidtransit stop for which an environmental determination has been issuedCode Rev/AI:roy23S-5159.1/24

as required by the State Environmental Policy Act (SEPA). Requires cities planning under the Growth Management Act to allow new residential and mixed-use development within any station area at the transit-oriented development density of at least 3.0 floor area ratio, on average if a city exempts up to 25 percent of station areas. Removes the categorical exemption under SEPA for all project actions that propose to develop residential or mixed-use development within a station area.

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