

# SENATE BILL REPORT

## ESHB 1997

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As Reported By Senate Committee On:  
State & Local Government, March 26, 2001

**Title:** An act relating to establishing industrial land banks outside urban growth areas.

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

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

**Brief History:**

**Committee Activity:** State & Local Government: 3/26/01 [DP].

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### SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

**Majority Report:** Do pass.

Signed by Senators Patterson, Chair; Fairley, Vice Chair; Gardner, Hale, Horn, McCaslin, T. Sheldon and Swecker.

**Staff:** Aaron Jennings (786-7445)

**Background:** Counties must encourage urban growth within urban growth areas (UGAs) and may allow growth outside UGAs if it is not urban in nature. The Growth Management Act (GMA) contains several exceptions to the general prohibition against urban growth outside UGAs, including provisions for fully contained communities, master planned resorts, and specific major industrial developments. Until December 31, 1999, counties meeting specified criteria were authorized to designate an industrial bank of no more than two master planned locations suitable for industrial businesses that:

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

The following criteria had to be met to establish a location for an industrial land bank:

- provision for new infrastructure or payment of impact fees;
- implementation of transit-oriented site planning and traffic demand management programs;
- buffering between the development and adjacent nonurban areas;
- provision of environmental protection, including air and water quality;
- establishment of development regulations to ensure urban growth will not occur in adjacent nonurban areas;

- mitigation of adverse impacts on resource lands; and
- consistency of the development plan with critical areas regulations.

Once an industrial land bank was set aside, the county's ability to use it does not expire.

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

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

Land banks designated by eligible counties must meet the statutory criteria for establishing a land bank initially specified for the authority terminating on December 31, 1999.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** This bill allows Lewis County to implement the industrial land bank authority and to originate a reserve area for long-term planning. Lewis County does not have sufficient land for industrial development in the urban growth area and needs more family wage jobs.

**Testimony Against:** There might be some problems with the amendment if it applies to counties other than Lewis County.

**Testified:** PRO: Representative Alexander, prime sponsor; William Lotto, Lewis County Economic Development Council; Bob Guenther, Thurston-Lewis Labor Council; Bryon Wahl, AWB Realtors; Dave Williams, Association of Washington Cities.