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**Community Development, Housing &  
Tribal Affairs Committee**

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**HB 1997**

**Brief Description:** Authorizing the creation and use of community facilities districts in limited areas of more intensive rural development.

**Sponsors:** Representatives Tharinger and Tarleton.

**Brief Summary of Bill**

- Expands the areas where community facilities districts may be located to include limited areas of intensive rural development as designated by the Growth Management Act.

**Hearing Date:** 2/17/15

**Staff:** Kirsten Lee (786-7133).

**Background:**

Growth Management Act.

The Growth Management Act (GMA) is the comprehensive land use-planning framework for counties and cities in Washington. The GMA establishes land use designation and environmental protection requirements for all Washington counties and cities, and a significantly wider array of planning duties for the 29 counties and the cities within that are obligated to satisfy all planning requirements of the GMA.

Under the GMA, lands are generally classified in one of three categories:

- *Urban Growth Areas:* Urban Growth Areas (UGAs), which are designated by counties that fully plan under the act, are areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature.

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- *Natural Resource Lands*: This category includes agricultural, forest, and mineral resource lands of long-term commercial significance.
- *Rural Lands or Areas*: This category includes all non-resource lands that are not within a UGA.

Qualifying development is expressly permitted under the GMA in rural areas if prescribed requirements are met. For example, counties may permit Limited Areas of More Intensive Rural Development (LAMIRDs) providing for the following:

- *rural development*: allowing the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas;
- *recreational and tourist uses*: allowing intensification of development on lots containing, or new development of, small-scale recreational or tourists uses; and
- *nonresidential/cottage industry*: allowing intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses.

### Community Facilities Districts.

In 2010 legislation was enacted that authorized the creation of community facilities districts (CFDs), which are independent special purpose districts that may finance community facilities and local, subregional, and regional infrastructure. A CFD may only be created by a landowner petition approved by the county, city, or town in which the district is located. A CFD may only include land located within an UGA designated under the GMA.

A CFD, which is governed by a board of supervisors, may acquire, purchase, hold, lease, finance, and sell real and personal property, either inside or outside the boundaries of the district.

A CFD may impose special assessments on privately owned real property within the district to finance facilities and improvements provided by the district. Examples of expenses and facilities that may be financed include:

- the cost of the purchase, lease, construction, improvement, or rehabilitation of any facility with an estimated life of five years or longer;
- sanitary sewage systems;
- highways, streets, roadways, and parking facilities;
- traffic control systems and devices; and
- library, educational, and cultural facilities.

### **Summary of Bill:**

In addition to land located within an UGA, CFDs may be located on land within LAMIRDs as allowed under the GMA. The new provision does not alter any requirements under the GMA.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.