SENATE BILL REPORT SB 6516

As Reported by Senate Committee On: Local Government, February 1, 2018

Title: An act relating to allowing limited storm and sanitary sewer systems for rural economic development in the growth management act.

Brief Description: Allowing limited storm and sanitary sewer systems for rural economic development in the growth management act.

Sponsors: Senators Wilson, Short and Sheldon.

Brief History:

Committee Activity: Local Government: 1/30/18, 2/01/18 [DPS, DNP].

Brief Summary of First Substitute Bill

- Adds encouraging economic development in light industrial and heavy industrial zoning areas as a limited circumstance where urban governmental services may be extended to or expanded outside an urban growth area.
- Provides that cities may extend storm and sanitary sewer systems outside an urban growth area for allowed uses or in limited circumstances by designing the sewer line to serve only particular structures.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 6516 be substituted therefor, and the substitute bill do pass.

Signed by Senators Takko, Chair; Palumbo, Vice Chair; Short, Ranking Member; Angel.

Minority Report: Do not pass.

Signed by Senator Liias.

Staff: Greg Vogel (786-7413)

Background: The Growth Management Act (GMA). The GMA is the comprehensive land use planning framework for counties and cities in Washington. The GMA sets forth three

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broad planning obligations for those counties and cities who plan fully under the GMA: (1) the county legislative authority must adopt a countywide planning policy; (2) the county, and the cities within the county, must designate critical areas, agricultural lands, forestlands, and mineral resource lands, and adopt development regulations accordingly; and (3) the county must designate and take other actions related to Urban Growth Areas (UGAs).

<u>UGAs.</u> Counties that fully plan under the GMA must designate UGAs, within which urban growth must be encouraged and outside of which growth may occur only if it is not urban in nature. Planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period. In addition, cities must include sufficient areas to accommodate the broad range of needs and uses that will accompany the projected urban growth, including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

The GMA provides that, in general, it is not appropriate for urban governmental services, such as public services and public facilities typically provided in cities, to be extended to or expanded outside of the UGA into rural areas. Extension or expansion may be permitted in limited circumstances where: (1) it is shown to be necessary to protect basic public health and safety, and the environment; and (2) when such services are financially supportable at rural densities and do not permit urban development.

Summary of Bill (First Substitute): Encouraging economic development in light industrial and heavy industrial zoning areas is added as a circumstance where urban governmental services may be extended to or expanded outside an urban growth area, when such services are financially supportable at rural densities and do not permit urban residential development. Protection of basic public health and safety and protection of the environment are separated into two circumstances instead of one adjoining circumstance. Additionally, cities and watersewer districts may extend storm and sanitary sewer systems outside an urban growth area for allowed uses or in those limited circumstances, to protect basic public health and safety, protect the environment, or encourage economic development in light industrial and heavy industrial zoning areas by designing and sizing the sewer line so that it may serve only particular structures and not intervening lands.

Where an extension occurs, the system may serve a property or properties adjacent to the sewer line, that contains structures on the effective date of this act, and whose septic system has failed, if the property owner so requests and the county, all affected cities, and any affected water-sewer district agree with the request.

EFFECT OF CHANGES MADE BY LOCAL GOVERNMENT COMMITTEE (First Substitute):

- Changes "in rural areas" to "outside the urban growth area" when referring to the extension of urban governmental services.
- Specifies that economic development refers to development in light and heavy industrial zoning areas.
- Changes "urban development" to "urban residential development" when referring to development not permitted with the extension of urban governmental services.

- Adds water-sewer districts as an entity that may extend storm and sanitary sewer systems.
- Provides that where an extension occurs, the system may serve a property or
 properties adjacent to the sewer line, that contains structures on the effective date of
 this act, and whose septic system has failed, if the property owner so requests and the
 county, all affected cities, and any affected water-sewer district agree with the
 request.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill: The committee recommended a different version of the bill than what was heard. PRO: This bill gives support for rural areas of the state to provide local job opportunities and utilize land already zoned industrial, while protecting the environment and preventing urban sprawl. Rural areas are not resource lands, yet when attempts are made to provide solutions for rural areas, the GMA prevents that from happening. In Clark County, the GMA has impeded zoned industrial land and a casino from receiving the extension of storm and sewer, despite such extension being less expensive and having less environmental concerns than the alternatives.

Looking at the GMA, it can be viewed as kind of a circular process. One area of the act provides jobs, while another area restricts those jobs from being provided because the areas are prohibited from receiving storm and sewer lines. When discussing allowed uses, there are plenty in the GMA, but there is no interconnection, so the dots are not clear for those reading it, resulting in legal challenges and delays for projects.

CON: The bill is overly broad. Allowed uses could be anything under this piece of legislation. Continued pressure to add density to these areas will continue, leading to the deterioration of rural areas and the increase of urban sprawl.

The key issue with the bill is similar to the school siting discussion, in the way that a sewage line is tightlined to a building so that it would not allow any other property to hook up to the line. People in rural areas should have access to the line.

OTHER: The department has some concerns regarding the potential for sprawl under the bill. Additionally, the department would love to work with the sponsor on the definition of economic development, which is fairly broad, on what it would mean specifically.

Persons Testifying: PRO: Senator Lynda Wilson, Prime Sponsor; Amber Carter, Portland Vancouver Junction Railroad, Identity Clark County; John Peterson, Clark Regional Wastewater District; Jim Kuntz, Washington Association of Sewer and Water Districts.

CON: Bryce Yadon, Futurewise; Jan Himebaugh, Building Industry Association of

Washington.

OTHER: Alexandre Chateaubriand, Department of Commerce.

Persons Signed In To Testify But Not Testifying: No one.

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