

HOUSE BILL REPORT

ESSB 5275

As Reported by House Committee On:
Local Government

Title: An act relating to enhancing opportunity in limited areas of more intense rural development.

Brief Description: Enhancing opportunity in limited areas of more intense rural development.

Sponsors: Senate Committee on Housing & Local Government (originally sponsored by Senators Short, Lovelett, Das, Wellman and Wilson, C.).

Brief History:

Committee Activity:

Local Government: 3/16/21, 3/19/21 [DP].

Brief Summary of Engrossed Substitute Bill

- Allows development and redevelopment in terms of building size, scale, use, or intensity within a limited area of more intensive rural development if all existing providers of public facilities and services confirm that there is sufficient capacity to serve the new or increased demand from the development.
- Requires commercial development or redevelopment within a mixed-use area of a limited area of more intensive rural development to be primarily designed to serve the needs of the rural population, and sets limits on the size of retail or food service spaces within such development.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 7 members: Representatives Pollet, Chair; Duerr, Vice Chair; Goehner, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; Berg, Robertson and Senn.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Staff: Kellen Wright (786-7134).

Background:

The Growth Management Act (GMA) requires that certain counties, and the cities within those counties, engage in planning for future population growth. The central part of the planning process is the comprehensive plan. The Legislature has established 13 goals that should act as the basis of all comprehensive plans. Examples of goals include reducing sprawl, providing for affordable housing, and protecting property rights. The comprehensive plan must address these goals and set out the policies and standards that are meant to guide the city or county's actions and decisions in the future. These plans are required to be updated every eight years and must contain certain elements, such as a land use element, a housing element, and a capital facilities plan. These elements must satisfy the requirements for each individual element while fitting within the overall comprehensive plan.

One required element of the comprehensive plan that applies only to counties is the rural element. This element covers rural development and measures to protect the rural character of an area. Measures to protect this character include containing or controlling rural development; assuring visual compatibility of development with the surrounding rural area; reducing the conversion of undeveloped land into low-density development; protecting critical areas; and protecting against conflicts with agricultural, forest, and mineral resource lands. The rural element can also allow limited areas of more intensive rural development (LAMIRDs) within existing developed areas.

There are three types of LAMIRDs. The first type is infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas. Development or redevelopment, other than that in an industrial area or of an industrial use, must be designed to principally serve the existing and projected rural population. Any development or redevelopment in terms of building size, scale, use, or intensity must be consistent with the character of the existing area and changes in use of vacant land or a change in use from an existing use must conform to these requirements and to the overall requirements of the rural element of the comprehensive plan.

A second type of LAMIRD is the intensification or development of small-scale recreational or tourist uses that rely on a rural setting. These uses cannot include new residential development, and public services and facilities must be limited to those necessary to serve the recreational or tourist use and cannot be provided in a way that permits low-density sprawl. Recreational or tourist uses are not required to principally serve the existing and projected rural population.

A third type of LAMIRD is the intensification of development on lots containing isolated cottage industries or small-scale businesses that are not designed to principally serve the existing and projected rural population, but that do provide rural job opportunities. The

expansion of these small-scale businesses can be allowed as long as they conform to the rural character of the area. Any public services and facilities must be limited to those needed to serve the businesses and cannot be provided in a manner that permits low-density sprawl.

A county is required to adopt measures to minimize and contain areas and uses of more intensive rural development within existing areas of development, and lands included within those areas must not extend past the logical boundary of the area. An existing area is a clearly identifiable area based on the built environment that was in place at the time that the county became subject to the requirements of the GMA. A county is required to establish the logical outer boundary of existing intensive rural development based on the need to preserve the character of existing communities; on physical boundaries such as bodies of water, streets, and land forms; on the prevention of abnormally irregular boundaries; and on the ability to provide public facilities and services in a way that does not permit low-density sprawl.

Summary of Engrossed Substitute Bill:

In a LAMIRD involving the development or redevelopment (development) of existing commercial, industrial, residential, or mixed-use areas, any development in terms of building size, scale, use, or intensity may be allowed if all existing providers of public facilities and public services confirm that there is sufficient capacity to serve the new development. This development may include changes from vacant land or from a prior use if the use is consistent with the rural element requirements and is consistent with the local character. Any commercial development in a mixed-use area must be designed primarily to serve the existing and projected rural population. Any retail or food service space in the development must not exceed the greater of the footprint of previously occupied space or 5,000 square feet for the same or similar use and must not exceed 2,500 square feet for a new use.

A county is required to adopt measures to minimize and contain areas of more intensive rural development within existing areas of development, but is not required to contain uses of more intensive rural development.

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.

Staff Summary of Public Testimony:

(In support) More flexibility in LAMIRDs would improve economic opportunities. Historically, these were bustling areas when they became LAMIRDs, but decades later there is a need for flexibility under the GMA in order to cement a future for these communities. These areas have languished. They provided valuable support for rural communities but have since lost economic development opportunities and have deteriorating housing. Limited areas of more intensive rural development are small clusters that might have a name on a map but are too small to be a city. Going to a LAMIRD can be like going back in time. Rough requirements and limitations were put in place that are now outdated and should be updated. Limited areas of more intensive rural development can be contentious. Attempting to change a LAMIRD to allow a new use or to allow mixed-use in a residential area can lead to litigation. Current requirements are too restrictive and do not allow for communities to reach their full potential as complete communities that can provide jobs to residents. The additional flexibility for in-fill and development in the bill is needed, and can create numerous jobs. The establishments added would not be big box stores or even things like small breweries, but instead places like convenience stores or small restaurants. Current restrictions make it difficult for workers to live near their place of employment and can prevent workers from starting businesses of their own. The discussion on the GMA facilitated by the University of Washington last year extensively discussed LAMIRD reform, and this issue was negotiated as part of a smaller group in that process, and has also been negotiated with other interested parties. This bill would allow for improvements in a LAMIRD but would require they be contained within existing facilities and services and would not allow sprawl. The bill sustains existing LAMIRDS and allows them to have more breathing room within the infrastructure perimeter. This bill would allow for more equitable development and a future in LAMIRD communities. There are still standards and strict guidelines in the rural element of the GMA for these areas, and the size limitations on development will keep it consistent with local character. This is a good compromise, as it does not allow for LAMIRDs to expand, but does allow for flexibility within the current structure for rural communities to address the needs of their residents.

(Opposed) None.

(Other) The work narrowing the bill is appreciated. Since the provisions related to the expansion of LAMIRDs was removed, the bill as written is acceptable. The cap on the size of stores is important to ensure that they match the local character.

Persons Testifying: (In support) Senator Short, prime sponsor; Wes McCart, Stevens County; Paul Jewell, Washington State Association of Counties; Heidi Eisenhour, Jefferson County; Richard May; Jan Himebaugh, Building Industry Association of Washington; and Jeanette McKague, Washington REALTORS.

(Other) Bryce Yadon, Futurewise.

Persons Signed In To Testify But Not Testifying: None.