AN ACT Relating to including the value of increased residential building capacity in the property tax levy limit calculation and zoning for multifamily housing units; amending RCW 84.55.010; and adding a new section chapter 36.70A RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. A new section is added to chapter 36.70A RCW to read as follows:

(1) Ordinances, development regulations, and other official controls adopted pursuant to subsection (2) or (3) of this section are only required to apply in the portions of cities and counties that are within urban growth areas designated under this chapter.

(2)(a) To access the levy increase under RCW 84.55.010, all eligible counties and cities must provide by ordinance and incorporate into their development regulations, zoning regulations, and other official controls, authorization for the development of duplexes, triplexes, quadplexes, sixplexes, townhouses, and cottage clusters in areas zoned for detached single-family residential use.

(i) Duplexes must be allowed on all lots or parcels;

(ii) Triplexes must be allowed on 80 percent of lots or parcels;

(iii) Quadplexes must be allowed on 70 percent of lots or parcels;
(iv) Sixplexes must be allowed on 50 percent of lots or parcels; 
(v) Townhouses must be allowed on 60 percent of lots or parcels; 
and
(vi) Cottage clusters must be allowed on 70 percent of lots or parcels.

(b) A middle housing type is considered "allowed" on a lot or parcel when the following criteria are met:
(i) The middle housing type is a permitted use on that lot or parcel under the same administrative process as a detached single-family dwelling in the same zone;
(ii) The lot or parcel has sufficient square footage to allow the middle housing type within the applicable minimum lot size requirement;
(iii) Maximum density requirements do not prohibit the development of the middle housing type on the subject lot or parcel; and
(iv) The applicable siting or design standards do not individually or cumulatively cause unreasonable costs, fees, or delays to the development of that middle housing type.

(3) To access the levy increase under RCW 84.55.010, all eligible counties and cities must provide by ordinance and incorporate into their development regulations, zoning regulations, and other official controls, the following parking regulations:
(a) For lots or parcels with a duplex, a city or county may not require off-street parking spaces;
(b) For lots or parcels of less than 3,000 square feet, a city or county may not require off-street parking spaces;
(c) For lots or parcels greater than or equal to 3,000 square feet and less than 6,000 square feet, a city or county may not require more than one off-street parking space total;
(d) For lots or parcels greater than or equal to 6,000 square feet, a city or county may not require more than 0.5 times the number of dwelling units on the lot;
(e) A city or county may not require more than 0.5 off-street parking spaces per townhouse dwelling unit;
(f) A city or county may not require more than 0.5 off-street parking spaces per dwelling unit in a cottage cluster;
(g) A city or county may allow on-street parking credits to satisfy off-street parking requirements;
(h) A city or county may allow, but may not require, off-street parking to be provided as a garage or carport; and

(i) A city or county must apply the same off-street parking surfacing, dimensional, landscaping, access, and circulation standards that apply to single-family detached dwellings in the same zone.

(4) Nothing in this section prohibits cities or counties from permitting single-family residences.

(5) Ordinances, amendments to development regulations, and other nonproject actions taken by a city or county to implement the actions specified in subsections (2) and (3) of this section are not subject to administrative or judicial appeal under chapter 43.21C RCW.

(6) Ordinances, development regulations, and other official controls adopted pursuant to subsection (2) or (3) of this section apply to conversions of existing buildings in addition to new developments.

(7) If adopted by December 31, 2025, amendments to development regulations and other nonproject actions taken by a city or county to implement this section are not subject to administrative, quasi-judicial or judicial appeals under this chapter.

(8) For counties and cities not subject to the review and evaluation requirements of RCW 36.70A.215, the requirements of subsections (2) and (3) of this section will not apply if the counties and cities adopt findings providing evidence that current infrastructure is not capable of supporting such development or that there is little likelihood that infrastructure will be built to support such development within the 20-year planning period.

(9) For the purposes of this section:

(a) "Cottage clusters" means groupings of no fewer than four detached housing units per acre with a footprint of less than 1200 square feet each and that include a common courtyard.

(b) "Eligible counties and cities" means all counties planning under RCW 36.70A.040, and all cities located within a county planning under RCW 36.70A.040.

(c) "Middle housing type" means duplexes, triplexes, quadplexes, sixplexes, townhouses, and cottage clusters.

(d) "Townhouses" means a dwelling unit constructed in a row of two or more attached units, where each dwelling unit is located on an individual lot or parcel and shares at least one common wall with an adjacent unit.
Sec. 2. RCW 84.55.010 and 2017 3rd sp.s. c 13 s 302 are each amended to read as follows:

(1) Except as provided in this chapter, the levy for a taxing district in any year must be set so that the regular property taxes payable in the following year do not exceed the limit factor multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district plus an additional dollar amount calculated by multiplying the regular property tax levy rate of that district for the preceding year by the increase in assessed value in that district resulting from:

(a) New construction;

(b) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(c) Improvements to property; and

(d) Any increase in the assessed value of state-assessed property; and

(e) Any increase in assessed value created under section 1 of this act and not included elsewhere under this section for purposes of providing an additional dollar amount.

(2) The requirements of this section do not apply to:

(a) State property taxes levied under RCW 84.52.065(1) for collection in calendar years 2019 through 2021; and

(b) State property taxes levied under RCW 84.52.065(2) for collection in calendar years 2018 through 2021.

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