S-3802.1			

SENATE BILL 6562

State of Washington 56th Legislature 2000 Regular Session

By Senators Patterson, Kline, McCaslin, Rasmussen, Oke, Kohl-Welles, Fraser, Jacobsen, Shin, Prentice, Goings, Swecker, Winsley and Roach

Read first time 01/19/2000. Referred to Committee on State & Local Government.

- 1 AN ACT Relating to growth management housing goals; amending RCW
- 2 36.70A.210, 36.70A.215, and 84.14.010; adding a new section to chapter
- 3 82.14 RCW; and providing an effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 36.70A.210 and 1998 c 171 s 4 are each amended to read 6 as follows:
- 7 (1) The legislature recognizes that counties are regional
- 8 governments within their boundaries, and cities are primary providers
- 9 of urban governmental services within urban growth areas. For the
- 10 purposes of this section, a "county-wide planning policy" is a written
- 11 policy statement or statements used solely for establishing a county-
- 12 wide framework from which county and city comprehensive plans are
- 13 developed and adopted pursuant to this chapter. This framework shall
- 14 ensure that city and county comprehensive plans are consistent as
- 15 required in RCW 36.70A.100. Nothing in this section shall be construed
- 16 to alter the land-use powers of cities.
- 17 (2) The legislative authority of a county that plans under RCW
- 18 36.70A.040 shall adopt a county-wide planning policy in cooperation

p. 1 SB 6562

1 with the cities located in whole or in part within the county as 2 follows:

- 3 (a) No later than sixty calendar days from July 16, 1991, the 4 legislative authority of each county that as of June 1, 1991, was required or chose to plan under RCW 36.70A.040 shall convene a meeting 5 with representatives of each city located within the county for the 6 7 purpose of establishing a collaborative process that will provide a 8 framework for the adoption of a county-wide planning policy. In other 9 counties that are required or choose to plan under RCW 36.70A.040, this 10 meeting shall be convened no later than sixty days after the date the county adopts its resolution of intention or was certified by the 11 office of financial management. 12
 - (b) The process and framework for adoption of a county-wide planning policy specified in (a) of this subsection shall determine the manner in which the county and the cities agree to all procedures and provisions including but not limited to desired planning policies, deadlines, ratification of final agreements and demonstration thereof, and financing, if any, of all activities associated therewith.
- 19 (c) If a county fails for any reason to convene a meeting with 20 representatives of cities as required in (a) of this subsection, the 21 governor may immediately impose any appropriate sanction or sanctions 22 on the county from those specified under RCW 36.70A.340.
- 23 (d) If there is no agreement by October 1, 1991, in a county that 24 was required or chose to plan under RCW 36.70A.040 as of June 1, 1991, 25 or if there is no agreement within one hundred twenty days of the date 26 the county adopted its resolution of intention or was certified by the 27 office of financial management in any other county that is required or chooses to plan under RCW 36.70A.040, the governor shall first inquire 28 29 of the jurisdictions as to the reason or reasons for failure to reach 30 an agreement. If the governor deems it appropriate, the governor may 31 immediately request the assistance of the department of community, trade, and economic development to mediate any disputes that preclude 32 agreement. If mediation is unsuccessful in resolving all disputes that 33 34 will lead to agreement, the governor may impose appropriate sanctions 35 from those specified under RCW 36.70A.340 on the county, city, or cities for failure to reach an agreement as provided in this section. 36 37 The governor shall specify the reason or reasons for the imposition of any sanction. 38

SB 6562 p. 2

13

14 15

16 17

18

- (e) No later than July 1, 1992, the legislative authority of each 1 2 county that was required or chose to plan under RCW 36.70A.040 as of June 1, 1991, or no later than fourteen months after the date the 3 4 county adopted its resolution of intention or was certified by the 5 office of financial management the county legislative authority of any other county that is required or chooses to plan under RCW 36.70A.040, 6 7 shall adopt a county-wide planning policy according to the process 8 provided under this section and that is consistent with the agreement 9 pursuant to (b) of this subsection, and after holding a public hearing 10 or hearings on the proposed county-wide planning policy.
- 11 (3) A county-wide planning policy shall at a minimum, address the 12 following:
- 13 (a) Policies to implement RCW 36.70A.110;
- 14 (b) Policies for promotion of contiguous and orderly development 15 and provision of urban services to such development;
- 16 (c) Policies for siting public capital facilities of a county-wide 17 or state-wide nature, including transportation facilities of state-wide 18 significance as defined in RCW 47.06.140;
- 19 (d) Policies for county-wide transportation facilities and 20 strategies;
- (e) Policies that consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution;
- 24 (f) Policies for joint county and city planning within urban growth 25 areas;
- 26 (g) Policies for county-wide economic development and employment; 27 ((and))
 - (h) An analysis of the fiscal impact:

28

- 29 <u>(i) Policies for the allocation of projected population and</u>
 30 <u>employment growth, and the number of residential units necessary to</u>
 31 <u>accommodate growth in the urban and rural areas by jurisdiction;</u>
- (j) Policies establishing appropriate densities for urban and rural
 areas; and
- 34 <u>(k) Performance measures to annually review progress towards</u>
 35 <u>accommodating the twenty-year population and employment growth</u>
 36 projections established in the county-wide planning policies.
- 37 (4) Federal agencies and Indian tribes may participate in and 38 cooperate with the county-wide planning policy adoption process.

p. 3 SB 6562

- 1 Adopted county-wide planning policies shall be adhered to by state 2 agencies.
- (5) Failure to adopt a county-wide planning policy that meets the 3 4 requirements of this section may result in the imposition of a sanction 5 or sanctions on a county or city within the county, as specified in RCW In imposing a sanction or sanctions, the governor shall 6 specify the reasons for failure to adopt a county-wide planning policy 7 8 in order that any imposed sanction or sanctions are fairly and 9 equitably related to the failure to adopt a county-wide planning 10 policy.
- 11 (6) Cities and the governor may appeal an adopted county-wide 12 planning policy to the growth management hearings board within sixty 13 days of the adoption of the county-wide planning policy.
- (7) Multicounty planning policies shall be adopted by two or more counties, each with a population of four hundred fifty thousand or more, with contiguous urban areas and may be adopted by other counties, according to the process established under this section or other processes agreed to among the counties and cities within the affected counties throughout the multicounty region.
- 20 **Sec. 2.** RCW 36.70A.215 and 1997 c 429 s 25 are each amended to 21 read as follows:
- (1) Subject to the limitations in subsection $((\frac{7}{1}))$ (8) of this 22 23 section, a county shall adopt, in consultation with its cities, county-24 wide planning policies to establish a review and evaluation program. 25 This program shall be in addition to the requirements of RCW 36.70A.110, 36.70A.130, and 36.70A.210. In developing and implementing 26 the review and evaluation program required by this section, the county 27 and its cities shall consider information from other appropriate 28 29 jurisdictions and sources. The purpose of the review and evaluation program shall be to: 30
 - (a) Determine whether a county and its cities are achieving urban densities within urban growth areas by comparing growth and development assumptions, targets, performance measures, and objectives contained in the county-wide planning policies and the county and city comprehensive plans with actual growth and development that has occurred in the county and its cities; and
- 37 (b) Identify <u>and adopt</u> reasonable measures, other than adjusting 38 urban growth areas, that will be taken to comply with the requirements

SB 6562 p. 4

3132

3334

3536

of this chapter, which are sufficient to accommodate residential and nonresidential growth.

(2) The review and evaluation program shall:

3

- (a) Encompass land uses and activities both within and outside of urban growth areas and provide for annual collection <u>and reporting</u> of data <u>to the county</u> on urban and rural land uses, development, critical areas, and capital facilities to the extent necessary to determine the quantity and type of land suitable for development, both for residential and employment-based activities;
- (b) Provide for evaluation of the data collected under (a) of this subsection every five years as provided in subsection (3) of this section. The first evaluation shall be completed not later than September 1, 2002. The county and its cities may establish in the county-wide planning policies indicators, benchmarks, and other similar criteria to use in conducting the evaluation;
- 16 (c) Provide for methods to resolve disputes among jurisdictions 17 relating to the county-wide planning policies required by this section 18 and procedures to resolve inconsistencies in collection and analysis of 19 data; and
- 20 (d) Provide for the amendment of the county-wide policies and 21 county and city comprehensive plans <u>and development regulations</u> as 22 needed to remedy an inconsistency identified through the evaluation 23 required by this section, or to bring these policies into compliance 24 with the requirements of this chapter.
- 25 (3) At a minimum, the evaluation component of the program required 26 by subsection (1) of this section shall:
- 27 (a) Require a joint report from each county and its cities
 28 regarding regional growth patterns, trends, comparing employment,
 29 housing growth, and market conditions; and compiling data on new
 30 development. The report shall:
- (i) Evaluate whether or not the zoning and development regulations
 allow development at the densities sufficient to accommodate the
 adopted population and employment projections;
- (ii) Highlight the reasons for the difference between the planned
 outcomes and actual performance, such as market and other factors
 affecting the achievement of planned outcomes; and
- 37 <u>(iii) Indicate reasonable and appropriate actions adopted to</u>
 38 <u>encourage growth to occur sufficient to accommodate residential and</u>
 39 nonresidential needs;

p. 5 SB 6562

(b) Determine whether there is sufficient <u>land</u> suitable ((land)) for <u>development</u> to accommodate the county-wide population projection established for the county pursuant to RCW 43.62.035 and the subsequent population allocations within the county and between the county and its cities and the requirements of RCW 36.70A.110;

1 2

((\(\frac{(b)}{)}\)) (c) Determine the net number and types of new residential dwelling units; the actual density of housing that has been constructed ((\(\frac{and}{and}\)); the square footage of new nonresidential development permitted; the actual amount of land developed for commercial and industrial uses; the estimated net number of new jobs created county-wide; and the amount of known environmentally sensitive land and lands that cannot be built upon within the urban growth area since the adoption of a comprehensive plan under this chapter or since the last periodic evaluation as required by subsection (1) of this section; and ((\(\frac{(c)}{(c)}\))) (d) Based on the actual density of development as determined under ((\(\frac{(b)}{(b)}\))) (c) of this subsection, review commercial, industrial, and housing needs by type and density range to determine the amount of land needed for commercial, industrial, and housing for the remaining portion of the twenty-year planning period used in the most recently adopted comprehensive plan.

(4) If the evaluation required by subsection (3) of this section demonstrates an inconsistency between what has occurred since the adoption of the county-wide planning policies and the county and city comprehensive plans and development regulations and what was envisioned in those policies and plans and the planning goals and the requirements of this chapter, as the inconsistency relates to the evaluation factors specified in subsection (3) of this section((, the county and its cities)); or demonstrates that the county or any city is not achieving the land use designations and densities planned for the jurisdiction in its comprehensive plan based on the evaluation factors specified in subsection (3) of this section, the county or city shall identify and adopt reasonable measures in order to accommodate the demand for residential units and nonresidential growth during the subsequent five-year period.

(a) If actions to achieve consistency are necessary, the county or city shall revise its comprehensive land use plan and development or other regulations, or take other actions necessary to increase consistency, and ensure sufficient land suitable for development with applicable development regulations to accommodate projected residential

SB 6562 p. 6

- 1 units necessary for population growth, and achieve densities projected
- 2 for the jurisdiction in the county-wide planning policy and its
- 3 comprehensive plan. The county or city shall adopt and implement
- 4 appropriate measures within one year of conducting the evaluation of
- 5 <u>this section</u> that are reasonably likely to increase consistency during
- 6 the subsequent five-year period. If necessary, a county, in
- 7 consultation with its cities as required by RCW 36.70A.210, shall adopt
- 8 amendments to county-wide planning policies to increase consistency.
- 9 The county and its cities shall annually monitor the measures adopted
- 10 under this subsection to determine their effect and may revise or
- 11 rescind them as appropriate.
- 12 (b) A county or city adopting actions shall, at a minimum,
- 13 demonstrate that it has considered whether the urban land designated
- 14 for residential and nonresidential uses is zoned at density ranges with
- 15 applicable development regulations that are reasonably likely to be
- 16 <u>achieved</u> by the market.
- 17 (c) Actions to increase consistency in planned and achieved growth
- 18 may include, but are not limited to, the following:
- (i) Incentives to encourage new development consistent with the
- 20 local plan;
- 21 (ii) Funding of infrastructure and amenities to attract
- 22 <u>development;</u>
- 23 (iii) Changes in land use regulations and zoning designations for
- 24 land within the boundaries of the jurisdiction in a manner that
- 25 encourages development to occur at densities sufficient to accommodate
- 26 projected residential and nonresidential growth;
- 27 (iv) Outreach programs to encourage developers to build the type of
- 28 <u>development sought in the jurisdiction's plan or development</u>
- 29 regulations; and
- 30 (v) Improved procedures to reduce the time it takes the
- 31 jurisdiction to issue permits.
- 32 (5) County-wide planning policies may include additional incentive
- 33 provisions and enforcement measures to accommodate growth and achieve
- 34 goals.
- (((+5))) (6)(a) Not later than July 1, 1998, the department shall
- 36 prepare a list of methods used by counties and cities in carrying out
- 37 the types of activities required by this section. The department shall
- 38 provide this information and appropriate technical assistance to

p. 7 SB 6562

- 1 counties and cities required to or choosing to comply with the 2 provisions of this section.
- 3 (b) By December 31, ((2007)) 2003 and 2008, the department shall submit to the appropriate committees of the legislature a report analyzing the effectiveness of the activities described and measures taken by the counties and cities in this section in achieving the goals envisioned by the county-wide planning policies and the comprehensive plans and development regulations of the counties and cities.
- 9 (((+6))) (7) From funds appropriated by the legislature for this 10 purpose, the department shall provide grants to counties, cities, and 11 regional planning organizations required under subsection (((+7))) (8) 12 of this section to conduct the review and perform the evaluation 13 required by this section.
- (((7))) (8) The provisions of this section shall apply to counties, and the cities within those counties, that were greater than one hundred fifty thousand in population in 1995 as determined by office of financial management population estimates and that are located west of the crest of the Cascade mountain range. Any other county planning under RCW 36.70A.040 may carry out the review, evaluation, and amendment programs and procedures as provided in this section.
- 21 (9) Unless the context clearly requires otherwise, the definitions 22 in this section apply throughout this section.
- 23 (a) "Land suitable for development" means all vacant, partially
 24 used, and underutilized parcels that are: (i) Designated for
 25 commercial, industrial, or residential use; (ii) not intended for
 26 public use; and (iii) not constrained by critical areas in a way that
 27 limits development potential and makes new construction on a parcel
 28 unfeasible.
- (b) "Performance measures" required under RCW 36.70A.210(3) means an indicator providing consistent and reliable information over time to help gauge how a jurisdiction is achieving specified performance results. "Indicator" means a quantifiable measurement or index.
- NEW SECTION. Sec. 3. A new section is added to chapter 82.14 RCW to read as follows:
- 35 (1) The legislative authority of a county, or a city within a 36 county, planning under chapter 36.70A RCW, may impose a sales and use 37 tax in accordance with the terms of this chapter. The tax is in 38 addition to other taxes authorized by law and shall be collected from

SB 6562 p. 8

- those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county or city. The rate of tax shall not exceed 0.01 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax.
- 6 (2) The tax imposed under subsection (1) of this section shall be 7 deducted from the amount of tax otherwise required to be collected or 8 paid over to the department of revenue under chapter 82.08 or 82.12 9 RCW. The department of revenue shall perform the collection of such 10 taxes on behalf of the county, and its cities, at no cost to the county 11 or its cities.
- 12 (3) Moneys collected under subsection (1) of this section shall 13 only be used for the purpose of providing basic service for growth 14 infrastructure projects necessary to accommodate growth, affordable 15 housing programs, and the costs of implementing programs established by 16 chapter 36.70A RCW.
- 17 (4) For the purposes of this section, the following definitions 18 apply:
- 19 (a) "Basic service" means that level of service necessary to meet 20 only the minimum level of service sufficient to accommodate growth;
- infrastructure projects" means 21 (b) "Growth the costs of construction, reconstruction, 22 acquisition, rehabilitation, 23 improvement of those bridges; roads; and domestic water, sanitary 24 sewer, storm sewer, and solid waste/recycling projects necessary to 25 meet the requirements under RCW 36.70A.210 and 36.70A.215; and
- (c) "Affordable housing programs" means programs to encourage and maintain home ownership, vouchers or subsidies for low-income rental housing, or the capital costs for acquisition, construction, reconstruction, rehabilitation, and improvement of low-income housing.
- 30 **Sec. 4.** RCW 84.14.010 and 1997 c 429 s 40 are each amended to read 31 as follows:
- 32 Unless the context clearly requires otherwise, the definitions in 33 this section apply throughout this chapter.
- 34 (1) "City" means either:
- 35 (a) \underline{A} city or town with a population of at least one hundred 36 thousand $((\frac{\partial \mathbf{r}}{\partial \mathbf{r}}))$;

p. 9 SB 6562

- 1 (b) The largest city or town, if there is no city or town with a 2 population of at least one hundred thousand, located in a county 3 planning under the growth management act; or
- 4 <u>(c) Any city or town participating in the review and evaluation</u> 5 program under RCW 36.70A.215.
- 6 (2) "Governing authority" means the local legislative authority of 7 a city having jurisdiction over the property for which an exemption may 8 be applied for under this chapter.
 - (3) "Growth management act" means chapter 36.70A RCW.
- 10 (4) "Multiple-unit housing" means a building having four or more 11 dwelling units not designed or used as transient accommodations and not 12 including hotels and motels. Multifamily units may result from new 13 construction or rehabilitated or conversion of vacant, underutilized, 14 or substandard buildings to multifamily housing.
 - (5) "Owner" means the property owner of record.

9

15

21

22

2324

25

- 16 (6) "Permanent residential occupancy" means multiunit housing that
 17 provides either rental or owner occupancy on a nontransient basis.
 18 This includes owner-occupied or rental accommodation that is leased for
 19 a period of at least one month. This excludes hotels and motels that
 20 predominately offer rental accommodation on a daily or weekly basis.
 - (7) "Rehabilitation improvements" means modifications to existing structures, that are vacant for twelve months or longer, that are made to achieve a condition of substantial compliance with existing building codes or modification to existing occupied structures which increase the number of multifamily housing units.
- 26 (8) "Residential targeted area" means an area within an urban 27 center that has been designated by the governing authority as a 28 residential targeted area in accordance with this chapter.
- (9) "Substantial compliance" means compliance with local building or housing code requirements that are typically required for rehabilitation as opposed to new construction.
- 32 (10) "Urban center" means a compact identifiable district where 33 urban residents may obtain a variety of products and services. An 34 urban center must contain:
- 35 (a) Several existing or previous, or both, business establishments 36 that may include but are not limited to shops, offices, banks, 37 restaurants, governmental agencies;
- 38 (b) Adequate public facilities including streets, sidewalks, 39 lighting, transit, domestic water, and sanitary sewer systems; and

SB 6562 p. 10

- 1 (c) A mixture of uses and activities that may include housing,
- 2 recreation, and cultural activities in association with either
- 3 commercial or office, or both, use.
- 4 <u>NEW SECTION.</u> **Sec. 5.** This act takes effect September 1, 2002.

--- END ---

p. 11 SB 6562