

CERTIFICATION OF ENROLLMENT  
**SECOND SUBSTITUTE HOUSE BILL 2697**

Chapter 154, Laws of 2002

57th Legislature  
2002 Regular Session

GROWTH MANAGEMENT--ECONOMIC DEVELOPMENT PLANNING

EFFECTIVE DATE: 6/13/02

Passed by the House March 14, 2002  
Yeas 90 Nays 8

FRANK CHOPP  
**Speaker of the House of Representatives**

Passed by the Senate March 14, 2002  
Yeas 40 Nays 0

BRAD OWEN  
**President of the Senate**

Approved March 26, 2002

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 2697** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER  
**Chief Clerk**

FILED

March 26, 2002 - 12:28 p.m.

**Secretary of State  
State of Washington**

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SECOND SUBSTITUTE HOUSE BILL 2697

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AS AMENDED BY THE SENATE

Passed Legislature - 2002 Regular Session

State of Washington                      57th Legislature                      2002 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Reardon, Anderson, Berkey, Pflug, Sullivan, Nixon, Esser, Delvin, Jarrett, Upthegrove and Simpson)

Read first time 02/12/2002. Referred to Committee on .

1            AN ACT Relating to incorporating effective economic development  
2 planning into growth management planning; and amending RCW 36.70A.020  
3 and 36.70A.070.

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

5            **Sec. 1.** RCW 36.70A.020 and 1990 1st ex.s. c 17 s 2 are each  
6 amended to read as follows:

7            The following goals are adopted to guide the development and  
8 adoption of comprehensive plans and development regulations of those  
9 counties and cities that are required or choose to plan under RCW  
10 36.70A.040. The following goals are not listed in order of priority  
11 and shall be used exclusively for the purpose of guiding the  
12 development of comprehensive plans and development regulations:

13            (1) Urban growth. Encourage development in urban areas where  
14 adequate public facilities and services exist or can be provided in an  
15 efficient manner.

16            (2) Reduce sprawl. Reduce the inappropriate conversion of  
17 undeveloped land into sprawling, low-density development.

1 (3) Transportation. Encourage efficient multimodal transportation  
2 systems that are based on regional priorities and coordinated with  
3 county and city comprehensive plans.

4 (4) Housing. Encourage the availability of affordable housing to  
5 all economic segments of the population of this state, promote a  
6 variety of residential densities and housing types, and encourage  
7 preservation of existing housing stock.

8 (5) Economic development. Encourage economic development  
9 throughout the state that is consistent with adopted comprehensive  
10 plans, promote economic opportunity for all citizens of this state,  
11 especially for unemployed and for disadvantaged persons, promote the  
12 retention and expansion of existing businesses and recruitment of new  
13 businesses, recognize regional differences impacting economic  
14 development opportunities, and encourage growth in areas experiencing  
15 insufficient economic growth, all within the capacities of the state's  
16 natural resources, public services, and public facilities.

17 (6) Property rights. Private property shall not be taken for  
18 public use without just compensation having been made. The property  
19 rights of landowners shall be protected from arbitrary and  
20 discriminatory actions.

21 (7) Permits. Applications for both state and local government  
22 permits should be processed in a timely and fair manner to ensure  
23 predictability.

24 (8) Natural resource industries. Maintain and enhance natural  
25 resource-based industries, including productive timber, agricultural,  
26 and fisheries industries. Encourage the conservation of productive  
27 forest lands and productive agricultural lands, and discourage  
28 incompatible uses.

29 (9) Open space and recreation. (~~Encourage the retention of~~)  
30 Retain open space (~~and development of~~), enhance recreational  
31 opportunities, conserve fish and wildlife habitat, increase access to  
32 natural resource lands and water, and develop parks and recreation  
33 facilities.

34 (10) Environment. Protect the environment and enhance the state's  
35 high quality of life, including air and water quality, and the  
36 availability of water.

37 (11) Citizen participation and coordination. Encourage the  
38 involvement of citizens in the planning process and ensure coordination  
39 between communities and jurisdictions to reconcile conflicts.

1 (12) Public facilities and services. Ensure that those public  
2 facilities and services necessary to support development shall be  
3 adequate to serve the development at the time the development is  
4 available for occupancy and use without decreasing current service  
5 levels below locally established minimum standards.

6 (13) Historic preservation. Identify and encourage the  
7 preservation of lands, sites, and structures, that have historical or  
8 archaeological significance.

9 **Sec. 2.** RCW 36.70A.070 and 1998 c 171 s 2 are each amended to read  
10 as follows:

11 The comprehensive plan of a county or city that is required or  
12 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,  
13 and descriptive text covering objectives, principles, and standards  
14 used to develop the comprehensive plan. The plan shall be an  
15 internally consistent document and all elements shall be consistent  
16 with the future land use map. A comprehensive plan shall be adopted  
17 and amended with public participation as provided in RCW 36.70A.140.

18 Each comprehensive plan shall include a plan, scheme, or design for  
19 each of the following:

20 (1) A land use element designating the proposed general  
21 distribution and general location and extent of the uses of land, where  
22 appropriate, for agriculture, timber production, housing, commerce,  
23 industry, recreation, open spaces, general aviation airports, public  
24 utilities, public facilities, and other land uses. The land use  
25 element shall include population densities, building intensities, and  
26 estimates of future population growth. The land use element shall  
27 provide for protection of the quality and quantity of ground water used  
28 for public water supplies. Where applicable, the land use element  
29 shall review drainage, flooding, and storm water run-off in the area  
30 and nearby jurisdictions and provide guidance for corrective actions to  
31 mitigate or cleanse those discharges that pollute waters of the state,  
32 including Puget Sound or waters entering Puget Sound.

33 (2) A housing element ensuring the vitality and character of  
34 established residential neighborhoods that: (a) Includes an inventory  
35 and analysis of existing and projected housing needs that identifies  
36 the number of housing units necessary to manage projected growth; (b)  
37 includes a statement of goals, policies, objectives, and mandatory  
38 provisions for the preservation, improvement, and development of

1 housing, including single-family residences; (c) identifies sufficient  
2 land for housing, including, but not limited to, government-assisted  
3 housing, housing for low-income families, manufactured housing,  
4 multifamily housing, and group homes and foster care facilities; and  
5 (d) makes adequate provisions for existing and projected needs of all  
6 economic segments of the community.

7 (3) A capital facilities plan element consisting of: (a) An  
8 inventory of existing capital facilities owned by public entities,  
9 showing the locations and capacities of the capital facilities; (b) a  
10 forecast of the future needs for such capital facilities; (c) the  
11 proposed locations and capacities of expanded or new capital  
12 facilities; (d) at least a six-year plan that will finance such capital  
13 facilities within projected funding capacities and clearly identifies  
14 sources of public money for such purposes; and (e) a requirement to  
15 reassess the land use element if probable funding falls short of  
16 meeting existing needs and to ensure that the land use element, capital  
17 facilities plan element, and financing plan within the capital  
18 facilities plan element are coordinated and consistent. Park and  
19 recreation facilities shall be included in the capital facilities plan  
20 element.

21 (4) A utilities element consisting of the general location,  
22 proposed location, and capacity of all existing and proposed utilities,  
23 including, but not limited to, electrical lines, telecommunication  
24 lines, and natural gas lines.

25 (5) Rural element. Counties shall include a rural element  
26 including lands that are not designated for urban growth, agriculture,  
27 forest, or mineral resources. The following provisions shall apply to  
28 the rural element:

29 (a) Growth management act goals and local circumstances. Because  
30 circumstances vary from county to county, in establishing patterns of  
31 rural densities and uses, a county may consider local circumstances,  
32 but shall develop a written record explaining how the rural element  
33 harmonizes the planning goals in RCW 36.70A.020 and meets the  
34 requirements of this chapter.

35 (b) Rural development. The rural element shall permit rural  
36 development, forestry, and agriculture in rural areas. The rural  
37 element shall provide for a variety of rural densities, uses, essential  
38 public facilities, and rural governmental services needed to serve the  
39 permitted densities and uses. In order to achieve a variety of rural

1 densities and uses, counties may provide for clustering, density  
2 transfer, design guidelines, conservation easements, and other  
3 innovative techniques that will accommodate appropriate rural densities  
4 and uses that are not characterized by urban growth and that are  
5 consistent with rural character.

6 (c) Measures governing rural development. The rural element shall  
7 include measures that apply to rural development and protect the rural  
8 character of the area, as established by the county, by:

9 (i) Containing or otherwise controlling rural development;

10 (ii) Assuring visual compatibility of rural development with the  
11 surrounding rural area;

12 (iii) Reducing the inappropriate conversion of undeveloped land  
13 into sprawling, low-density development in the rural area;

14 (iv) Protecting critical areas, as provided in RCW 36.70A.060, and  
15 surface water and ground water resources; and

16 (v) Protecting against conflicts with the use of agricultural,  
17 forest, and mineral resource lands designated under RCW 36.70A.170.

18 (d) Limited areas of more intensive rural development. Subject to  
19 the requirements of this subsection and except as otherwise  
20 specifically provided in this subsection (5)(d), the rural element may  
21 allow for limited areas of more intensive rural development, including  
22 necessary public facilities and public services to serve the limited  
23 area as follows:

24 (i) Rural development consisting of the infill, development, or  
25 redevelopment of existing commercial, industrial, residential, or  
26 mixed-use areas, whether characterized as shoreline development,  
27 villages, hamlets, rural activity centers, or crossroads developments.  
28 A commercial, industrial, residential, shoreline, or mixed-use area  
29 shall be subject to the requirements of (d)(iv) of this subsection, but  
30 shall not be subject to the requirements of (c)(ii) and (iii) of this  
31 subsection. An industrial area is not required to be principally  
32 designed to serve the existing and projected rural population;

33 (ii) The intensification of development on lots containing, or new  
34 development of, small-scale recreational or tourist uses, including  
35 commercial facilities to serve those recreational or tourist uses, that  
36 rely on a rural location and setting, but that do not include new  
37 residential development. A small-scale recreation or tourist use is  
38 not required to be principally designed to serve the existing and  
39 projected rural population. Public services and public facilities

1 shall be limited to those necessary to serve the recreation or tourist  
2 use and shall be provided in a manner that does not permit low-density  
3 sprawl;

4 (iii) The intensification of development on lots containing  
5 isolated nonresidential uses or new development of isolated cottage  
6 industries and isolated small-scale businesses that are not principally  
7 designed to serve the existing and projected rural population and  
8 nonresidential uses, but do provide job opportunities for rural  
9 residents. Public services and public facilities shall be limited to  
10 those necessary to serve the isolated nonresidential use and shall be  
11 provided in a manner that does not permit low-density sprawl;

12 (iv) A county shall adopt measures to minimize and contain the  
13 existing areas or uses of more intensive rural development, as  
14 appropriate, authorized under this subsection. Lands included in such  
15 existing areas or uses shall not extend beyond the logical outer  
16 boundary of the existing area or use, thereby allowing a new pattern of  
17 low-density sprawl. Existing areas are those that are clearly  
18 identifiable and contained and where there is a logical boundary  
19 delineated predominately by the built environment, but that may also  
20 include undeveloped lands if limited as provided in this subsection.  
21 The county shall establish the logical outer boundary of an area of  
22 more intensive rural development. In establishing the logical outer  
23 boundary the county shall address (A) the need to preserve the  
24 character of existing natural neighborhoods and communities, (B)  
25 physical boundaries such as bodies of water, streets and highways, and  
26 land forms and contours, (C) the prevention of abnormally irregular  
27 boundaries, and (D) the ability to provide public facilities and public  
28 services in a manner that does not permit low-density sprawl;

29 (v) For purposes of (d) of this subsection, an existing area or  
30 existing use is one that was in existence:

31 (A) On July 1, 1990, in a county that was initially required to  
32 plan under all of the provisions of this chapter;

33 (B) On the date the county adopted a resolution under RCW  
34 36.70A.040(2), in a county that is planning under all of the provisions  
35 of this chapter under RCW 36.70A.040(2); or

36 (C) On the date the office of financial management certifies the  
37 county's population as provided in RCW 36.70A.040(5), in a county that  
38 is planning under all of the provisions of this chapter pursuant to RCW  
39 36.70A.040(5).

1 (e) Exception. This subsection shall not be interpreted to permit  
2 in the rural area a major industrial development or a master planned  
3 resort unless otherwise specifically permitted under RCW 36.70A.360 and  
4 36.70A.365.

5 (6) A transportation element that implements, and is consistent  
6 with, the land use element.

7 (a) The transportation element shall include the following  
8 subelements:

9 (i) Land use assumptions used in estimating travel;

10 (ii) Estimated traffic impacts to state-owned transportation  
11 facilities resulting from land use assumptions to assist the department  
12 of transportation in monitoring the performance of state facilities, to  
13 plan improvements for the facilities, and to assess the impact of land-  
14 use decisions on state-owned transportation facilities;

15 (iii) Facilities and services needs, including:

16 (A) An inventory of air, water, and ground transportation  
17 facilities and services, including transit alignments and general  
18 aviation airport facilities, to define existing capital facilities and  
19 travel levels as a basis for future planning. This inventory must  
20 include state-owned transportation facilities within the city or  
21 county's jurisdiction boundaries;

22 (B) Level of service standards for all locally owned arterials and  
23 transit routes to serve as a gauge to judge performance of the system.  
24 These standards should be regionally coordinated;

25 (C) For state-owned transportation facilities, level of service  
26 standards for highways, as prescribed in chapters 47.06 and 47.80 RCW,  
27 to gauge the performance of the system. The purposes of reflecting  
28 level of service standards for state highways in the local  
29 comprehensive plan are to monitor the performance of the system, to  
30 evaluate improvement strategies, and to facilitate coordination between  
31 the county's or city's six-year street, road, or transit program and  
32 the department of transportation's six-year investment program. The  
33 concurrency requirements of (b) of this subsection do not apply to  
34 transportation facilities and services of statewide significance except  
35 for counties consisting of islands whose only connection to the  
36 mainland are state highways or ferry routes. In these island counties,  
37 state highways and ferry route capacity must be a factor in meeting the  
38 concurrency requirements in (b) of this subsection;



1 (D) Specific actions and requirements for bringing into compliance  
2 locally owned transportation facilities or services that are below an  
3 established level of service standard;

4 (E) Forecasts of traffic for at least ten years based on the  
5 adopted land use plan to provide information on the location, timing,  
6 and capacity needs of future growth;

7 (F) Identification of state and local system needs to meet current  
8 and future demands. Identified needs on state-owned transportation  
9 facilities must be consistent with the statewide multimodal  
10 transportation plan required under chapter 47.06 RCW;

11 (iv) Finance, including:

12 (A) An analysis of funding capability to judge needs against  
13 probable funding resources;

14 (B) A multiyear financing plan based on the needs identified in the  
15 comprehensive plan, the appropriate parts of which shall serve as the  
16 basis for the six-year street, road, or transit program required by RCW  
17 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795  
18 for public transportation systems. The multiyear financing plan should  
19 be coordinated with the six-year improvement program developed by the  
20 department of transportation as required by RCW 47.05.030;

21 (C) If probable funding falls short of meeting identified needs, a  
22 discussion of how additional funding will be raised, or how land use  
23 assumptions will be reassessed to ensure that level of service  
24 standards will be met;

25 (v) Intergovernmental coordination efforts, including an assessment  
26 of the impacts of the transportation plan and land use assumptions on  
27 the transportation systems of adjacent jurisdictions;

28 (vi) Demand-management strategies.

29 (b) After adoption of the comprehensive plan by jurisdictions  
30 required to plan or who choose to plan under RCW 36.70A.040, local  
31 jurisdictions must adopt and enforce ordinances which prohibit  
32 development approval if the development causes the level of service on  
33 a locally owned transportation facility to decline below the standards  
34 adopted in the transportation element of the comprehensive plan, unless  
35 transportation improvements or strategies to accommodate the impacts of  
36 development are made concurrent with the development. These strategies  
37 may include increased public transportation service, ride sharing  
38 programs, demand management, and other transportation systems  
39 management strategies. For the purposes of this subsection (6)

1 "concurrent with the development" shall mean that improvements or  
2 strategies are in place at the time of development, or that a financial  
3 commitment is in place to complete the improvements or strategies  
4 within six years.

5 (c) The transportation element described in this subsection (6),  
6 and the six-year plans required by RCW 35.77.010 for cities, RCW  
7 36.81.121 for counties, RCW 35.58.2795 for public transportation  
8 systems, and RCW 47.05.030 for the state, must be consistent.

9 (7) An economic development element establishing local goals,  
10 policies, objectives, and provisions for economic growth and vitality  
11 and a high quality of life. The element shall include: (a) A summary  
12 of the local economy such as population, employment, payroll, sectors,  
13 businesses, sales, and other information as appropriate; (b) a summary  
14 of the strengths and weaknesses of the local economy defined as the  
15 commercial and industrial sectors and supporting factors such as land  
16 use, transportation, utilities, education, work force, housing, and  
17 natural/cultural resources; and (c) an identification of policies,  
18 programs, and projects to foster economic growth and development and to  
19 address future needs. A city that has chosen to be a residential  
20 community is exempt from the economic development element requirement  
21 of this subsection.

22 (8) A park and recreation element that implements, and is  
23 consistent with, the capital facilities plan element as it relates to  
24 park and recreation facilities. The element shall include: (a)  
25 Estimates of park and recreation demand for at least a ten-year period;  
26 (b) an evaluation of facilities and service needs; and (c) an  
27 evaluation of intergovernmental coordination opportunities to provide  
28 regional approaches for meeting park and recreational demand.

29 (9) It is the intent that new or amended elements required after  
30 January 1, 2002, be adopted concurrent with the scheduled update  
31 provided in RCW 36.70A.130. Requirements to incorporate any such new  
32 or amended elements shall be null and void until funds sufficient to  
33 cover applicable local government costs are appropriated and  
34 distributed by the state at least two years before local government  
35 must update comprehensive plans as required in RCW 36.70A.130.

Passed the House March 14, 2002.

Passed the Senate March 14, 2002.

Approved by the Governor March 26, 2002.

Filed in Office of Secretary of State March 26, 2002.