

HOUSE BILL REPORT

HB 2217

As Reported by House Committee On:
Local Government

Title: An act relating to growth management planning.

Brief Description: Changing provisions relating to growth management.

Sponsors: Representative Simpson.

Brief History:

Committee Activity:

Local Government: 1/25/06 [DPS].

Brief Summary of Substitute Bill

- Includes new and modified requirements pertaining to county-wide planning policies adopted by counties fully planning under the Growth Management Act (GMA).
- Requires jurisdictions fully planning under the GMA to recapture capacity to accommodate planned growth through increased residential densities when that capacity is reduced by adopted regulations.
- Establishes definitions within the GMA for "land suitable for development," "performance measures," "reasonable measures," and "rural counties."
- Includes residential density provisions applicable to qualifying island cities.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Simpson, Chair; Ahern, Assistant Ranking Minority Member; B. Sullivan, Takko and Woods.

Minority Report: Do not pass. Signed by 2 members: Representatives Clibborn, Vice Chair and Schindler, Ranking Minority Member.

Staff: Ethan Moreno (786-7386).

Background:

Growth Management Act - Introduction

Enacted in 1990 and 1991, the Growth Management Act (GMA) establishes a comprehensive land use planning framework for county and city governments in Washington. The GMA specifies numerous provisions for jurisdictions fully planning under the Act (planning jurisdictions) and establishes a reduced number of compliance requirements for all local governments.

Planning jurisdictions must adopt internally consistent comprehensive land use plans (comprehensive plans), which are generalized, coordinated land use policy statements of the governing body. Planning jurisdictions must also adopt development regulations that are consistent with and implement the comprehensive plan.

County-wide Planning Policies

The legislative authority of a county fully planning under the GMA (GMA county) must adopt a county-wide planning policy (CPP) in cooperation with the cities located in whole or part within the county. A CPP is a written policy statement or statements used solely for establishing a county-wide framework from which county and city comprehensive plans are developed and adopted.

A CPP must address certain planning and analysis provisions, including:

- policies to implement urban growth area requirements;
- policies that consider the need for affordable housing; and
- policies for county-wide economic development and employment.

Urban Growth Areas

The GMA includes numerous requirements relating to the use or development of land in urban and rural areas. Among other planning requirements, GMA counties must designate urban growth areas (UGAs) or areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature.

Counties and cities must satisfy specific requirements pertaining to UGAs. Using population projections made by the Office of Financial Management, and subject to statutory provisions, GMA counties and each city within these counties must include within UGAs, areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding 20-year period.

Residential Density

Although the GMA includes provisions pertaining to density and the reduction of sprawling low-density development, neither "density" nor "residential density" is defined within the Act. The Department of Community, Trade, and Economic Development, in its September 2004 guidance paper, *Urban Densities - Central Puget Sound Edition*, partially defined "residential density" as the number of dwelling units over a specified land area.

The GMA does not prescribe a uniform minimum residential density, nor does the Act require jurisdictions to establish uniform minimum residential densities.

Capacity Requirements - Land Suitable for Development

Planning jurisdictions must ensure that, taken collectively, actions to adopt or amend comprehensive plans or development regulations provide sufficient capacity of land suitable for development within their jurisdictions. The requirement for sufficient capacity refers to accommodating a jurisdiction's allocated housing and employment growth as adopted in the applicable CPP and consistent with a 20-year population forecast.

Summary of Substitute Bill:

County-wide Planning Policies

County-wide planning policies adopted by jurisdictions must address the following additional requirements:

- policies for the allocation of projected population and employment growth, and the number of residential units necessary to accommodate growth, by jurisdiction, in the urban and rural areas;
- policies establishing appropriate densities for urban and rural areas;
- policies that annually review progress towards accommodating 20-year population and employment growth projections established in CPPs; and
- policies that plan for and achieve a supply of housing sufficient to accommodate employment growth.

Capacity Requirements - Land Suitable for Development

A new land capacity requirement for GMA jurisdictions is specified. When land use regulations that reduce a jurisdiction's capacity to accommodate planned growth are adopted, the jurisdiction must recapture the reduced capacity by increasing residential densities within the jurisdiction.

Growth Management Act Definitions

New definitions are established in the Growth Management Act (GMA), as follows:

- "land suitable for development" means all parcels that are vacant, and all undeveloped portions of parcels that are partially used, or underutilized to an extent that further development would be likely and are: (1) designated by applicable development regulations for commercial, industrial, or residential use; (2) not intended for public use; (3) not constrained by critical areas in a way that limits development potential and makes new construction on a parcel unfeasible; and (4) served by infrastructure currently available and adequate or planned for within the 20-year planning period;
- "performance measures" means an indicator providing consistent and reliable information over time to help determine how a jurisdiction is achieving specified performance results. "Indicator" means a quantifiable measurement or index;
- "reasonable measures" means comprehensive planning policies and development regulations that increase consistency with the GMA, the county-wide planning policies, and comprehensive plans; and

- "rural counties" is defined through a statutory cross reference as counties with a population density of less than 100 persons per square mile or counties smaller than 225 square miles.

Residential Density

Nothing in the capacity requirements nor the CPP requirements of the GMA shall be construed as: prohibiting a qualifying city from determining an urban residential density that is sufficient to accommodate projected population growth; or requiring a qualifying city to establish a uniform minimum residential density. A "qualifying city," for the purposes of these provisions, is a city fully planning under the GMA that is coterminous with, and comprised only of, an island in a county with more than 225,000 residents and fewer than 325,000 residents.

Substitute Bill Compared to Original Bill:

Deletes all amendatory modifications to the buildable lands review and evaluation program of the GMA. Modifies the definition "land suitable for development" by including references to undeveloped portions of parcels and land use designations made through applicable development regulations. Changes the definition of "reasonable measures" by deleting a reference specifying that such measures are "reasonably likely" to increase consistency with the GMA and replacing it with a provision indicating that reasonable measures increase consistency with the GMA. Provisions pertaining to land capacity and growth accommodation are modified by stating that when land use regulations that reduce a jurisdiction's capacity to accommodate planned growth are adopted, the jurisdiction must recapture the reduced capacity by increasing residential densities. A provision obligating county-wide planning policies to include "performance measures" to annually review progress toward achieving compliance with specified requirements is replaced with a similar provision for "policies" mandating the same annual review. Technical changes are made.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (In support on original bill) Housing prices are skyrocketing and the supply of housing stock is not keeping pace with demand, especially in the Puget Sound region. These factors will threaten the economic vitality of the state, threaten the long-term stability of tax revenues, increase traffic congestion, and worsen Washington's low home ownership rate. Price increases are directly linked to a lack of lands that are suitable for development. Current law has resulted in financial constraints: housing costs are too high for many families. Planning choices made by jurisdictions directly affect housing issues. This bill will increase densities in small areas and will help remedy housing cost problems.

(With concerns on original bill) This bill will help jurisdictions obtain an accurate buildable lands analysis. Provisions allowing optional expansions of UGAs in response to capacity accommodations should be supported. The amendments proposing to modify the applicable definitions within the GMA should be supported.

Testimony Against: (Original bill) This bill creates mandates that will be very difficult for small counties to comply with. Some jurisdictions will not know how to comply with the proposed requirements. Few benefits will be realized from satisfying the requirements, but significant and unfunded compliance costs will be incurred. The bill is too prescriptive and is contrary to grass-roots planning decisions. The provisions of the bill are contrary to other policies proposing relief from certain requirements for smaller, slower-growing jurisdictions. The results of adding and modifying definitions within the GMA are unclear.

Persons Testifying: (In support) Larry Williams, City of Port Angeles; Sam Pace, Mike Flynn, and Bill Reilly, Washington Realtors.

(With concerns) Clayton Hill, Building Industry Association of Washington.

(Opposed) Bryan Harrison, Pacific County; Ian Munce, City of Anacortes; Eric Johnson, Washington Association of Counties; and Dave Williams, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: None.