

SENATE BILL REPORT

SB 5852

As of February 21, 2007

Title: An act relating to growth in rural areas.

Brief Description: Providing for rural villages as a new strategy for growth in rural areas.

Sponsors: Senators Kline, Poulsen, Jacobsen and Rasmussen.

Brief History:

Committee Activity: Government Operations & Elections: 2/22/07.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Mac Nicholson (786-7445)

Background: Counties planning under the GMA must include a rural element. The rural element includes lands that are not designated for urban growth, agriculture, forest, or mineral resources. The rural element must provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. Counties have a number of options to achieve varied rural densities, including clustering, density transfer, design guidelines, and conservation easements.

The rural element may also allow for limited areas of more intensive rural development (LAMIRDs). There are three general types of LAMIRDs authorized: (1) rural development allowing infill, development, or redevelopment of existing commercial, industrial, residential or mixed-use areas; (2) development of small-scale recreational or tourist uses; (3) development of isolated nonresidential uses, isolated cottage industries, and isolated small-scale businesses.

Transfers of development rights (TDRs) encourage the voluntary transfer of growth from a place where a community would like to encourage less development, referred to as a sending area, to a place where a community would like to encourage more development, referred to as a receiving area. In a typical TDR transaction, conservation-oriented, permanent deed restrictions are placed on sending area properties to ensure that the land will be used only for approved activities such as farming, forest management, conservation, or passive recreation. Under this technique, the costs of purchasing the recorded development restrictions are borne by the developers who receive a "building credit" or "bonus." In return, developers may use this building credit or bonus to obtain or enhance development rights in the receiving area. Typically, the end result of this process is that a rural or natural area (e.g., agricultural, forest, or open space land) is preserved through permanent restrictions on development, while the

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receiving area is subject to increased development and/or population density as the result of changes in zoning requirements.

Summary of Bill: Three "rural village" demonstration projects may be created by certain qualified counties planning under the GMA. A rural village is defined as a compact, environmentally friendly rural development created using TDRs. Rural villages must be designated in the rural element of the county comprehensive plan and be located outside of LAMIRDs. Regulations governing the development of rural villages must be included in the county's development regulations. Rural villages must comply with all relevant development regulations, including critical areas regulations and transportation concurrency requirements.

Counties eligible to establish a rural village must be located within the Puget Sound regional council planning area, which includes King, Snohomish, Pierce, and Kitsap Counties.

The rural village may contain 50 to 200 residential dwelling units and nonresidential development that is designated to serve the village population and nearby existing and projected rural residents. All rural village nonresidential development and residential development that exceeds base zoning requirements must be done through TDRs from rural or natural resource lands.

The bill provides a variety of recommendations and technical requirements regarding the mechanics of using TDRs for the creation of rural villages. Although counties are given some discretion in determining the ratio of development rights that must be transferred from rural and resource lands, the bill requires that at least one half of the development rights used in developing a rural village be transferred from rural lands, with any remainder coming from resource lands.

Development rights purchased or transferred from sending area properties must be extinguished with conservation easements held jointly by a nonprofit organization and the relevant local government. The conservation easement must permanently restrict development of the property, but must allow for typical rural land uses including agriculture and working forestry.

Public services and public facilities for rural villages are limited to those necessary to serve the rural village and must be provided in a manner that does not permit low-density sprawl. Rural villages must include multi-modal transportation site planning; water systems that incorporate efficiency and conservation measures designed to reduce water usage; innovative wastewater and storm water treatment and management systems; community open space; green building requirements; native vegetation; and design standards that protect the rural character of the village.

The Department of Community, Trade and Economic Development (CTED) is required to report annually to the appropriate committees of the Legislature on the progress of rural villages. CTED must prepare a final report by December, 2012, on the efficacy of rural villages in meeting the goals of the GMA regarding the preservation of rural lands and the fostering of compatible commercial, recreational, and tourist uses of rural areas. In preparing the report, CTED must consult with landowners, developers, local governments, and other pertinent entities and persons. The report must address specified subject-matter areas and

contain recommendations regarding the authorization of additional rural villages and any necessary statutory changes.

Appropriation: None.

Fiscal Note: Requested on February 10, 2007.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.