
HOUSE BILL 1998

State of Washington 60th Legislature 2007 Regular Session

By Representatives McCoy, B. Sullivan, Strow, Dunshee, Priest, Wood, Springer and Linville

Read first time 02/05/2007. Referred to Committee on Local Government.

1 AN ACT Relating to growth in rural areas; adding a new section to
2 chapter 36.70A RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) Population in western Washington is
5 growing and will continue to grow. Models indicate that the central
6 Cascades region can expect a doubling of the population within the next
7 one hundred years.

8 (2) The growth management act has used large lot zoning to
9 discourage residential development of rural and resource lands.
10 However, historical entitlement of smaller lots coupled with rapidly
11 increasing real estate values have led to widespread development of
12 nonurban lots of a variety of sizes, locations, and zoning categories.
13 This problem is exacerbated by recent trends in the timber industry,
14 resulting in ownership changes, accelerated harvesting regimes, and
15 likely conversion of many properties to residential development in the
16 near term. It is reasonable to assume that under a one hundred-year
17 timeframe all nonurban lots are likely to be developed.

18 (3) The increase in nonurban development has disproportionate

1 undesirable impacts to landscape and watershed integrity, environmental
2 functions, economic viability of resource lands, and public costs.

3 (4) Additional approaches to managing rural growth are needed.
4 Success will likely not come from a single strategy; rather, a
5 multifaceted approach is required. Implementation of a region-wide or
6 statewide transfer of development rights program could play a major
7 role in finding a solution.

8 (5) The most important component in building a successful transfer
9 of development rights program is creating adequate receiving area
10 capacity. Accommodating dramatic population growth while meeting
11 resource conservation goals over the next one hundred years will
12 require greatly increasing receiving area capacity. It is a regional
13 goal to direct growth to urban areas, and therefore it is a priority to
14 develop this receiving capacity primarily in urban areas. In addition,
15 the potential for additional receiving areas in appropriate nonurban
16 areas is being explored concurrently.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 36.70A RCW
18 to read as follows:

19 (1) A county planning under RCW 36.70A.040 that meets the criteria
20 in subsection (2) of this section may designate no more than one rural
21 village in the rural area outside of limited areas of more intensive
22 rural development established pursuant to RCW 36.70A.070(5)(d). For
23 the purposes of this section, "rural village" is defined as a compact,
24 environmentally friendly rural development created using transfer of
25 development rights. Rural villages will be located in the rural area,
26 and shall coexist with traditional rural land uses such as farming and
27 forestry.

28 (2) Under this chapter, a county may designate a rural village in
29 the rural area outside of limited areas of more intensive rural
30 development established pursuant to RCW 36.70A.070(5)(d) as follows:

31 (a) Residential Development. The rural village may contain fifty
32 to two hundred dwelling units and may include single-family detached or
33 attached housing, multifamily housing, and accessory dwelling units.
34 The maximum allowable lot size for single-family detached units is
35 seven thousand square feet within a rural village.

36 (b) Nonresidential Development. The rural village may include

1 nonresidential development that is designed to serve the village
2 population and nearby existing and projected rural residents.

3 (c) Development Right Transfers. All rural village nonresidential
4 square footage or dwelling units that exceed base zoning shall require
5 the transfer or purchase of development rights from designated land
6 within the rural area or natural resource lands ("sending areas") as
7 follows:

8 (i) For the purposes of this section, one transferable development
9 right shall be allocated for each unrealized dwelling unit permitted by
10 applicable development regulations, as calculated on a gross basis
11 (allowed density x gross acreage of the property). In determining how
12 these development rights transfer to the rural village, the county may
13 consider local circumstances, but is encouraged to provide incentives
14 to transfer or purchase development rights from existing nonconforming
15 lots and authorize the transfer or purchase of development rights from
16 larger properties that will provide landscape scale conservation
17 benefits consistent with RCW 36.70A.011 and reduce transactions and
18 acquisition costs helping to make the end product more affordable.

19 (ii) At least one-half of the development rights included in a
20 rural village shall be transferred from the rural area, with any
21 remainder coming from resource lands. The county shall determine the
22 appropriate ratio of rural and resource development rights.

23 (iii) Each development right transferred from an existing rural lot
24 nonconforming as to minimum lot size or density shall be given a 0.25
25 development rights bonus when used within a rural village.

26 (d) Conservation Easements. Development rights purchased or
27 transferred from sending area properties shall be extinguished with
28 conservation easements held jointly by a nonprofit organization and the
29 relevant local government. The conservation easement shall permanently
30 restrict development of the property, but shall allow for typical rural
31 land uses, including agriculture and working forestry. A stewardship
32 fund established by endowment, contractually established annual
33 homeowners association fees, or a perpetual resale fee shall be created
34 for the sending area property to ensure capacity for stewardship and to
35 monitor and enforce the conservation easement by the responsible
36 parties.

37 (e) Siting Criteria. A county shall establish the criteria for
38 siting a rural village in the rural element of its comprehensive plan.

1 The criteria shall be in keeping with local circumstances, RCW
2 36.70A.070(5)(c), and favor sites with limited visual impacts,
3 proximity to existing transportation networks, limited need for service
4 improvements, affordability of housing in the rural village, and
5 appropriate environmental characteristics.

6 (f) Designation. A rural village shall be designated in the rural
7 element of the comprehensive plan. The regulations governing its
8 development, including location of sending areas, shall be included in
9 the county's development regulations. The rural village must comply
10 with all relevant development regulations, including critical areas
11 regulations and transportation concurrency requirements. The county
12 may adopt level of service or concurrency standards to address the
13 consolidation of traffic that will result from a rural village.

14 (g) Boundaries. Clear boundaries shall be delineated for each
15 rural village and shall not be expanded. Boundaries shall be buffered
16 from surrounding land uses by physical barriers (e.g., river or
17 undeveloped bluff) or a swath of permanently conserved land at least
18 two hundred fifty feet wide. A conservation easement restricting
19 development in this buffer shall be held jointly by a nonprofit
20 organization and the relevant local government.

21 (h) Public Services and Public Facilities.

22 (i) Public services and public facilities shall be limited to those
23 necessary to serve the rural village and shall be provided in a manner
24 that does not permit low-density sprawl.

25 (ii) New or improved infrastructure necessary to serve the rural
26 village shall be provided or applicable impact fees paid. New or
27 improved infrastructure may be provided by the applicant, the county,
28 or by a public-private partnership.

29 (iii) Transportation.

30 (A) Multimodal site planning shall be implemented and may include,
31 but is not limited to, neighborhood circulators; bicycle paths; and
32 park and ride, community vanpool, and carshare parking spaces.

33 (B) A pedestrian or nonmotorized transportation network of trails
34 or walkways should connect residences to services and open space within
35 and adjacent to the rural village.

36 (C) Road capacity shall meet county standards and accommodate the
37 projected needs of the rural village population, and necessary roadway

1 improvements may include safety enhancements, site access projects,
2 signage revisions, and traffic facility flow and management tools.

3 (D) Counties shall develop innovative road standards for rural
4 villages that are compatible with rural character and minimize
5 impervious surfaces and storm water runoff.

6 (iv) Water rights.

7 (A) A community water system shall be appropriately sized to serve
8 the rural village and shall rely on existing water law to obtain
9 adequate water rights. Such water system shall incorporate efficiency
10 and conservation measures designed to reduce water usage.

11 (B) At the time of sale or transfer of the development rights from
12 the sending area properties, conservation easements or covenants shall
13 include provisions to forego the development of groundwater wells in
14 the sending area properties for watering of lawns or noncommercial
15 gardens, for single or group domestic uses, and for nonagricultural
16 industrial uses. However, groundwater wells may be developed for
17 stock-watering or industrial uses related to agricultural production as
18 allowed under RCW 90.44.050.

19 (v) Wastewater treatment. Counties are encouraged to authorize
20 innovative techniques for wastewater treatment in rural villages,
21 including, but not limited to, membrane bioreactor systems. Greywater
22 reuse for flushing, irrigation, and other appropriate uses should be
23 encouraged.

24 (vi) Storm water management. Counties are encouraged to authorize
25 innovative techniques for storm water management, including, but not
26 limited to, bioswales and other natural storm water management systems
27 and alternative uses for storm water that encourage water reuse,
28 groundwater infiltration, or both.

29 (i) Open Space. The rural village shall contain community open
30 space. Uses of this open space may include, but are not limited to,
31 community gathering space, village green, park, or rural resource use.
32 A portion of the open space must function as a village green or
33 gathering place able to accommodate the population of the rural
34 village.

35 (j) Green Building. All rural villages shall meet the master
36 builders association of King and Snohomish counties built green - green
37 communities three-star standard and the built green - homebuilder or
38 multifamily (whichever is applicable) four-star standard. Equivalent

1 or more stringent green building standards may be substituted for this
2 requirement (e.g., leadership in energy and environmental design, green
3 globes, or other recognized green building standards).

4 (k) Native Vegetation. Disturbance of some native vegetation is
5 likely unavoidable in the development of rural villages. However,
6 maintaining forest cover and other native vegetation is important to
7 the health of watersheds and the Puget Sound. Thus, to the maximum
8 extent possible, clearing of native vegetation shall be avoided or
9 mitigated.

10 (i) The disturbance of native plants and forest cover on the
11 development site shall be minimized.

12 (ii) Disturbance of the development site shall be mitigated via on-
13 site or off-site restoration or replanting of an area roughly
14 equivalent in size to the cleared area via a fee paid to a qualified
15 government or nonprofit land management organization.

16 (iii) Native plant species for landscaping of nonlawn areas of
17 private residences shall be used. Public rights-of-way, street
18 planting strips, and common areas shall be replanted with a regionally
19 appropriate native plant community and structure.

20 (l) Design Standards. A county shall include in its development
21 regulations design standards to protect the rural character of the
22 area. At a minimum these design standards should address the
23 following:

24 (i) Utilities;

25 (ii) Roadways and transportation;

26 (iii) Visual impacts (e.g., protecting view corridors along
27 roadways, ridgelines, hillsides, etc.); and

28 (iv) Lighting and the preservation of dark skies.

29 (m) Notice on Title. Each county designating a rural village pilot
30 project shall require that all plats, short plats, development permits,
31 and building permits issued for development activities within a rural
32 village demonstration project contain a notice that the subject
33 property is located in a rural area where a variety of traditional
34 rural activities may occur that may generate sights, sounds, and smells
35 associated with farming, forestry, and other traditional rural uses.
36 In addition, the notice for lands within a rural village demonstration
37 project shall advise that services in rural areas are often limited and

1 consist of rural governmental services rather than urban governmental
2 services. The notice shall run with the land.

3 (3) A county may not issue groundwater well permits for any
4 groundwater uses except stock-watering purposes, or agricultural
5 industrial purposes allowed under RCW 90.44.050 on properties from
6 which development rights have been sold or transferred (sending sites).

7 (4) Any county intending to designate a rural village demonstration
8 project shall notify the department. The department shall ensure that
9 a maximum of three demonstration projects may be established under this
10 section. Any county choosing to withdraw a demonstration project shall
11 notify the department and the department may accept an alternate
12 project.

13 (5) The department shall report to the appropriate committees of
14 the legislature annually on the progress of any rural villages
15 established under this section. Additionally, the department shall
16 prepare a final report to be submitted no later than December 1, 2012,
17 on the efficacy of this section in accomplishing the purposes of RCW
18 36.70A.011. In preparing this report, the department shall consult
19 with sending and receiving area landowners, project developers,
20 builders, the county, and any other interested individuals or
21 organizations. The report shall:

22 (a) Review the county adopted policies and regulations to enable
23 rural village demonstration projects for consistency with the goals of
24 section 1 of this act and RCW 36.70A.011;

25 (b) Provide pertinent information on the permitting and development
26 of the rural village demonstration projects;

27 (c) Provide a project-specific analysis for each demonstration
28 project looking at the effect of the rural village on the following:

29 (i) Rural population capacity including the impacts of the
30 transfers from resource lands;

31 (ii) Land disturbance and impervious surfaces;

32 (iii) Water resources and watershed health; and

33 (iv) Wildlife habitat; and

34 (d) Recommend whether additional rural villages should be
35 authorized and, if so, whether changes should be made to this section
36 to foster the purposes of rural villages and rural lands as described
37 in section 1 of this act, RCW 36.70A.011, and 36.70A.070(5).

1 (6) The authority of a county meeting the criteria of subsection
2 (2) of this section to designate a rural village in its development
3 regulations terminates on December 31, 2009. Any rural village
4 designated under this authority shall be available for the approved
5 uses as long as the rural village is in compliance with the conditions
6 of approval adopted by the county.

7 (7) This section applies to counties that are located within the
8 Puget Sound regional council's planning area.

9 (8) This section is intended to further the purposes of RCW
10 36.70A.070(5)(c), and should in no way be interpreted to alter the
11 requirements therein.

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