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**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1923**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Fitzgibbon, Macri, Appleton, Doglio, Dolan, Santos, and Frame)

AN ACT Relating to increasing urban residential building capacity; amending RCW 43.21C.450; adding new sections to chapter 36.70A RCW; adding a new section to chapter 43.21C RCW; and creating a new section.

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

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

(1) A city planning pursuant to RCW 36.70A.040 with a population greater than ten thousand is encouraged to take two or more of the following actions in order to increase its residential building capacity:

(a) Authorize development of an average of at least fifty residential units per acre in one or more areas of not fewer than five hundred acres that include one or more train stations served by commuter rail or light rail;

(b) Authorize development of an average of at least twenty-five residential units per acre in one or more areas of not fewer than five hundred acres that include one or more bus stops served by scheduled bus service of at least four times per hour for twelve or more hours per day;

(c) Authorize at least one duplex, triplex, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure of physical constraint that would make this requirement unfeasible for a particular parcel;

(d) Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences;

(e) Require no more than one on-site parking space per two bedrooms in multifamily zones that are located within one-half mile of a fixed guideway transit station;

(f) Authorize accessory dwelling units on all lots located in zoning districts that permit single-family residences, except that a city choosing this option may restrict the use of such units as short-term rentals, may impose a minimum lot size requirement of two thousand five hundred square feet, may restrict accessory dwelling units on lots that do not meet this minimum size requirement, and may not be required to permit an unattached accessory dwelling unit to be added to lots smaller than three thousand two hundred square feet;

(g) Adopt a planned action pursuant to RCW 43.21C.420;

(h) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii), except that an environmental impact statement pursuant to RCW 43.21C.030 is not required for such an action;

(i) Adopt increases in categorical exemptions pursuant to RCW 43.21C.229 for residential or mixed-use development;

(j) Adopt a form-based code in one or more zoning districts that permit residential uses. "Form-based code" means a land development regulation that uses physical form, rather than separation of use, as the organizing principle for the code;

(k) Authorize a duplex on each corner lot within all zoning districts that permit single-family residences; and

(l) Identify questions on the environmental checklist that are adequately covered by a locally adopted ordinance, development regulation, land use plan, or other legal authority, pursuant to RCW 43.21.460.

(2) A city planning pursuant to RCW 36.70A.040 with a population greater than ten thousand is encouraged to take one or more of the following actions in order to increase housing affordability:

(a) Adopt an inclusionary zoning program, in which ten percent of the new housing capacity directed by this act consists of affordable housing;

(b) Provide surplus property to be used for affordable housing pursuant to RCW 39.33.015;

(c) Enact an affordable housing levy pursuant to RCW 84.52.105;

(d) Form or join existing subregional partnerships with neighboring jurisdictions to implement and promote affordable housing programs;

(e) Adopt a renters' commission to advise on issues of displacement; or

(f) Adopt a relocation assistance program.

(3) Amendments to development regulations and other nonproject actions taken by a city to implement subsections (1) and (2) of this section are categorically exempt from the requirements of chapter 43.21C RCW.

(4) In implementing this act, cities are encouraged to utilize strategies that distribute housing growth equitably across their jurisdictions.

(5) In implementing this act, cities are encouraged to prioritize the creation of affordable, inclusive neighborhoods and to consider the risk of residential displacement, particularly in neighborhoods with communities at high risk of displacement.

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

(1) In addition to the requirements set forth in RCW 36.70A.070(2) for the housing element of a comprehensive plan, a city planning pursuant to RCW 36.70A.040 with a population greater than ten thousand is encouraged to update the housing element of its comprehensive plan as described in subsection (2) of this section.

(2) The housing element should:

(a) Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households;

(b) Include policies, regulations, and programs to conserve and preserve existing private market and subsidized affordable housing and existing manufactured home parks;

(c) In cities with populations of more than eighty thousand, include policies, regulations, and programs to minimize displacement;

(d) If the analysis in (a) of this subsection demonstrates a lack of sufficient sites to accommodate housing needs for extremely low-income, very low-income, and low-income households, include a program to make sufficient development capacity available at multifamily densities available for development;

(e) Analyze population and employment trends, with documentation of projections;

(f) Include an eight-year schedule of programs and actions to implement the policies of the housing element and to accommodate the planned affordable housing units, including incentives and funding for affordable housing; and

(g) Review and evaluate the previous housing element, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions.

(3) The housing element update described in subsection (2) of this section should be incorporated into the housing element of a city's comprehensive plan by the next regularly scheduled comprehensive plan update as provided in RCW 36.70A.130.

**Sec.**  RCW 43.21C.450 and 2012 1st sp.s. c 1 s 307 are each amended to read as follows:

The following nonproject actions are categorically exempt from the requirements of this chapter:

(1) Amendments to development regulations that are required to ensure consistency with an adopted comprehensive plan pursuant to RCW 36.70A.040, where the comprehensive plan was previously subjected to environmental review pursuant to this chapter and the impacts associated with the proposed regulation were specifically addressed in the prior environmental review;

(2) Amendments to development regulations that are required to ensure consistency with a shoreline master program approved pursuant to RCW 90.58.090, where the shoreline master program was previously subjected to environmental review pursuant to this chapter and the impacts associated with the proposed regulation were specifically addressed in the prior environmental review;

(3) Amendments to development regulations that, upon implementation of a project action, will provide increased environmental protection, limited to the following:

(a) Increased protections for critical areas, such as enhanced buffers or setbacks;

(b) Increased vegetation retention or decreased impervious surface areas in shoreline jurisdiction; and

(c) Increased vegetation retention or decreased impervious surface areas in critical areas;

(4) Amendments to technical codes adopted by a county, city, or town to ensure consistency with minimum standards contained in state law, including the following:

(a) Building codes required by chapter 19.27 RCW;

(b) Energy codes required by chapter 19.27A RCW; and

(c) Electrical codes required by chapter 19.28 RCW;

(5) Amendments to development regulations in order to implement
section 1 of this act.

NEW SECTION. **Sec.**  A new section is added to chapter 43.21C RCW to read as follows:

(1) A project action evaluated under this chapter by a city, town, or county planning under RCW 36.70A.040 is exempt from appeals under this chapter on the basis of the evaluation of or impacts to transportation elements of the environment, so long as the project does not present significant adverse impacts to the state-owned transportation system as determined by the department of transportation and the project is:

(a)(i) Consistent with a locally adopted transportation plan; or

(ii) Consistent with the transportation element of a comprehensive plan; and

(b)(i) A project for which traffic or parking impact fees are imposed pursuant to RCW 82.02.050 through 82.02.090; or

(ii) A project for which traffic or parking impacts are expressly mitigated by an ordinance, or ordinances, of general application adopted by the city, town, or county.

(2) For purposes of this section, "impacts to transportation elements of the environment" include impacts to transportation systems; vehicular traffic; waterborne, rail, and air traffic; parking; movement or circulation of people or goods; and traffic hazards.

NEW SECTION. **Sec.**  If specific funding for the purposes of sections 1 and 2 of this act, referencing sections 1 and 2 of this act by bill or chapter number and section number, is not provided by June 30, 2019, in the omnibus appropriations act, sections 1 and 2 of this act are null and void.

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