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SHB 1981 - H AMD 918 By Representative Pollet

- 1 Strike everything after the enacting clause and insert the 2 following:
- "NEW SECTION. Sec. 1. The legislature intends that the study provided for in RCW 36.70A.190, and updates to it periodically thereafter, shall assist in ensuring that cities and counties receive adequate funding for planning for new elements of comprehensive plans and for the adoption of implementing ordinances and development regulations pursuant to chapter 36.70A RCW for future comprehensive plan updates.
- 10 **Sec. 2.** RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended 11 to read as follows:
 - (1) The department shall establish a program of technical and financial assistance and incentives to counties and cities to encourage and facilitate the adoption and implementation of comprehensive plans and development regulations throughout the state.
 - (2) (a) The department shall evaluate the costs for counties and cities to review and revise their comprehensive plans to assure compliance with this chapter. This evaluation must be completed by December 1, 2022, and updated every five years thereafter. The department shall provide a report of the evaluation to the legislature upon completion of the evaluation. The evaluation must include, at a minimum, the costs for each general jurisdiction size and type, and the costs to complete various types of planning requirements, including:
 - (i) Meeting the requirements of a new goal in RCW 36.70A.020;
- 26 <u>(ii) Meeting the requirements of a new comprehensive plan element</u> 27 <u>in RCW 36.70A.070;</u>
 - (iii) Updating a critical areas ordinance;
- 29 <u>(iv) Updating a shoreline master program ordinance;</u>
- 30 (v) Making a minor update to a comprehensive plan element;
- 31 (vi) Making a complex update to a comprehensive plan element;

(vii) Updating a development regulation; and

- 2 (viii) Implementing a new development regulation.
 - (b) The department shall consult with the Washington state association of counties and the association of Washington cities as part of the process for performing and completing the evaluation.
 - (c) In order to ensure that jurisdictions receive adequate funding for their comprehensive plan updates, the department shall distribute funds in the form of grants.
 - (d) The department shall promote equitable and meaningful participation in development of comprehensive plans and development regulations and shall distribute grants to community-based organizations representing historically marginalized communities and populations, communities with a high proportion of limited English proficient speakers, and communities at elevated risk of displacement pursuant to RCW 36.70A.070(2) or experiencing disparately higher health risks due to environmental factors related to the built environment, subject to the availability of amounts appropriated by the legislature for this specific purpose.
 - (3) (a) The department shall develop a priority list and establish funding levels for planning and technical assistance grants both for counties and cities that plan under RCW 36.70A.040. Priority for assistance shall be based on a county's or city's population growth rates, commercial and industrial development rates, the existence and quality of a comprehensive plan and development regulations, and other relevant factors.
 - (((3))) (b) The department may also contract with a public or nonprofit agency with appropriate experience in providing technical assistance and training to assist local governments related to comprehensive planning and other obligations under this chapter.
 - (4) The department shall develop and administer a grant program to provide direct financial assistance to counties and cities for the preparation of comprehensive plans under this chapter. The department may establish provisions for county and city matching funds to conduct activities under this subsection. Grants may be expended for any purpose directly related to the preparation of a county or city comprehensive plan as the county or city and the department may agree, including, without limitation, the conducting of surveys, inventories and other data gathering and management activities, the retention of planning consultants, contracts with regional councils for planning and related services, and other related purposes.

(((4+))) (5) The department shall establish a program of technical assistance:

- (a) (i) Utilizing department staff, the staff of other state agencies, and the technical resources of counties and cities to help in the development of comprehensive plans required under this chapter. The department shall make available planners and department regulations specialists to cities and counties to assist in the development of comprehensive plans and related development regulations;
- (ii) Additional technical assistance may include, but <u>is</u> not ((be)) limited to, ((model land use ordinances,)) regional education and training programs, and information for local and regional inventories; ((and))
 - (b) Providing model ordinances to cities and counties to implement updates that are required under this chapter; and
 - (c) Adopting by rule procedural criteria to assist counties and cities in adopting comprehensive plans and development regulations that meet the goals and requirements of this chapter. These criteria shall reflect regional and local variations and the diversity that exists among different counties and cities that plan under this chapter.
- $((\frac{(5)}{(5)}))$ (6) The department shall provide mediation services to resolve disputes between counties and cities regarding, among other things, coordination of regional issues and designation of urban growth areas.
- $((\frac{(6)}{(6)}))$ The department shall provide planning grants to 27 enhance citizen participation under RCW 36.70A.140.
- **Sec. 3.** RCW 35.02.010 and 1994 c 216 s 12 are each amended to 29 read as follows:
- Any contiguous area containing not less than one thousand five hundred inhabitants lying outside the limits of an incorporated city or town may become incorporated as a city or town operating under Title 35 or 35A RCW as provided in this chapter((: PROVIDED, That no area which lies within five air miles of the boundary of any city having a population of fifteen thousand or more shall be incorporated which contains less than three thousand inhabitants)).
- 37 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 35.02 38 RCW to read as follows:

A city or town incorporating under this chapter shall consult with the county, or counties, in which it has incorporated, as well as with any nearby cities, as needed, to determine how the incorporation may have impacted the comprehensive plans of those jurisdictions required under chapter 36.70A RCW, and to assess whether any revisions to such plans may be required.

Sec. 5. RCW 36.70A.070 and 2021 c 254 s 2 are each amended to read as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) (a) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and stormwater runoff in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

(b) The land use element shall include a subelement on the "built environment" to protect and improve the physical and mental health of residents within the portions of urban growth areas with higher densities. The subelement should include provisions improving determinants of health which are equitable with residents in other communities including, but not limited to, tree canopy or green open space to prevent extreme heat islands, reduction in air pollution and

- 1 <u>exposures to contaminants in homes as well as in the environment,</u>
- 2 <u>solar energy</u>, and sunlight access. The subelement shall also consider
- 3 and plan for the preservation of historic landmarks and properties
- 4 and cultural resources. The department shall, in consultation with
- 5 the department of health and the department of ecology, adopt
- 6 guidance to promote these goals, which may include provisions that
- 7 provide for access to sunlight in residential and school spaces based
- 8 on the health and learning benefits from natural lighting, and for
- 9 meeting state and local goals for use of solar energy.

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- 10 (2) A housing element ensuring the vitality and character of 11 established residential neighborhoods that:
 - (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including:
- 16 (i) Units for moderate, low, very low, and extremely low-income 17 households; and
 - (ii) Emergency housing, emergency shelters, and permanent supportive housing;
 - (b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including($(\{\cdot,\cdot\})$), but not limited to, duplexes, triplexes, and townhomes;
 - (c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;
 - (d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:
- 35 (i) Incorporating consideration for low, very low, extremely low, 36 and moderate-income households;
- (ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;

- 1 (iii) Consideration of housing locations in relation to 2 employment location; and
- (iv) Consideration of the role of accessory dwelling units in 3 meeting housing needs;
 - (e) Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:
 - (i) Zoning that may have a discriminatory effect;
- (ii) Disinvestment; and 9

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- (iii) Infrastructure availability;
- (f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;
- (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- (h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderateincome housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

In counties and cities subject to the review and evaluation requirements of RCW 36.70A.215, any revision to the housing element shall include consideration of prior review and evaluation reports and any reasonable measures identified. The housing element should link jurisdictional goals with overall county goals to ensure that the housing element goals are met.

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within

- 1 the capital facilities plan element are coordinated and consistent.
- 2 Park and recreation facilities shall be included in the capital 3 facilities plan element.
- 4 (4) A utilities element consisting of the general location, 5 proposed location, and capacity of all existing and proposed 6 utilities, including, but not limited to, electrical lines, 7 telecommunication lines, and natural gas lines.
- 8 (5) Rural element. Counties shall include a rural element 9 including lands that are not designated for urban growth, 10 agriculture, forest, or mineral resources. The following provisions 11 shall apply to the rural element:

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- (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.
- (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
 - (i) Containing or otherwise controlling rural development;
- (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- 36 (iv) Protecting critical areas, as provided in RCW 36.70A.060, 37 and surface water and groundwater resources; and
- 38 (v) Protecting against conflicts with the use of agricultural, 39 forest, and mineral resource lands designated under RCW 36.70A.170.

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

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- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.
- (A) A commercial, industrial, residential, shoreline, or mixeduse area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.
 - (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
 - (C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);
- (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
- The intensification of development on lots containing 35 36 isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not 37 principally designed to serve the existing and projected rural 38 population and nonresidential uses, but do provide job opportunities 39 40 for rural residents. Rural counties may allow the expansion of small-

- 1 scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government 2 according to RCW 36.70A.030(23). Rural counties may also allow new 3 small-scale businesses to utilize a site previously occupied by an 4 existing business as long as the new small-scale business conforms to 5 6 the rural character of the area as defined by the local government 36.70A.030(23). Public services and 7 according to RCW facilities shall be limited to those necessary to serve the isolated 8 nonresidential use and shall be provided in a manner that does not 9 permit low-density sprawl; 10
- (iv) A county shall adopt measures to minimize and contain the 11 12 existing areas or uses of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such 13 14 existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern 15 16 of low-density sprawl. Existing areas are those that are clearly 17 identifiable and contained and where there is a logical boundary 18 delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. 19 The county shall establish the logical outer boundary of an area of 20 21 more intensive rural development. In establishing the logical outer 22 boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) 23 physical boundaries, such as bodies of water, streets and highways, 24 25 and land forms and contours, (C) the prevention of abnormally 26 irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-27 28 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;

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- (B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or
- 36 (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

- (e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.
 - (6) A transportation element that implements, and is consistent with, the land use element.
 - (a) The transportation element shall include the following subelements:
 - (i) Land use assumptions used in estimating travel;
 - (ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;
 - (iii) Facilities and services needs, including:

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- (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;
- (B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;
- 26 (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 27 28 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local 29 comprehensive plan are to monitor the performance of the system, to 30 31 improvement strategies, and to facilitate coordination 32 between the county's or city's six-year street, road, or transit program and the office of financial management's ten-year investment 33 program. The concurrency requirements of (b) of this subsection do 34 not apply to transportation facilities and services of statewide 35 significance except for counties consisting of islands whose only 36 connection to the mainland are state highways or ferry routes. In 37 these island counties, state highways and ferry route capacity must 38 39 be a factor in meeting the concurrency requirements in (b) of this 40 subsection;

- (D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;
- (E) Forecasts of traffic for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;
- (F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;
 - (iv) Finance, including:

- (A) An analysis of funding capability to judge needs against probable funding resources;
- (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;
- (C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
- (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
 - (vi) Demand-management strategies;
- (vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.
- (b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate

- the impacts of development are made concurrent with the development. These strategies may include increased public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city.
 - (c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.

- (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.
- (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.
- (9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.
- NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not

Code Rev/RB:lel 12 H-2670.1/22

- 1 provided by June 30, 2022, in the omnibus appropriations act, this
- 2 act is null and void."
- 3 Correct the title.

EFFECT: Strikes the underlying bill and makes the following
changes:

- (1) Requires the Department of Commerce to distribute funds in the form of grants to ensure that jurisdictions receive adequate funding for comprehensive plan updates.
- (2) Requires the Department of Commerce, subject to appropriations, to promote equitable and meaningful participation in comprehensive plan development by distributing grants to community based organizations representing certain specified groups.
- (3) Allows the Department of Commerce to contract with a public or nonprofit agency with appropriate experience to assist local governments in planning and with other obligations under the Growth Management Act.
- (4) Requires the Department of Commerce to make planners and regulations specialists available to cities and counties to assist in the development of comprehensive plans and development regulations.
- (5) Requires the Department of Commerce to provide model ordinances to cities and counties to implement updates required under the Growth Management Act.
- (6) Removes requirement that an area must have at least 3,000 inhabitants, instead of the otherwise standard 1,500, to incorporate if it is within five air miles of a city with a population of 15,000 or more.
- (7) Requires a newly incorporated city or town to consult with the county or counties in which it is located, and any nearby cities, to determine how the incorporation may have impacted the counties' or cities' comprehensive plans and whether any revisions are needed.
- (8) Adds a built environment subelement to the land use element of a comprehensive plan, with provisions of the subelement required to improve specified determinants of health and to preserve historic and cultural landmarks, and with the Department of Commerce required to consult with the Department of Health and Department of Ecology to provide guidance to promote the subelement goals.

--- END ---