

HOUSE BILL REPORT

ESSB 5593

As Reported by House Committee On:
Local Government

Title: An act relating to urban growth area boundaries.

Brief Description: Concerning urban growth area boundaries.

Sponsors: Senate Committee on Housing & Local Government (originally sponsored by Senators Short, Lovelett, Gildon, Hasegawa and Mullet).

Brief History:

Committee Activity:

Local Government: 2/22/22, 2/23/22 [DPA].

**Brief Summary of Engrossed Substitute Bill
(As Amended By Committee)**

- Allows a county to make revisions to an urban growth area boundary to accommodate patterns of development under certain conditions.
- Provides that any revision to an urban growth area boundary cannot increase the total surface area of the urban growth area, that any areas removed from the urban growth area cannot have been characterized by urban growth, and that any cities within the urban growth area must have taken action to increase the buildable residential land within the urban growth area, including authorizing specified housing types, prior to any revision.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended. Signed by 5 members: Representatives Pollet, Chair; Duerr, Vice Chair; Goehner, Ranking Minority Member; Berg and Senn.

Minority Report: Without recommendation. Signed by 2 members: Representatives

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Griffey, Assistant Ranking Minority Member; Robertson.

Staff: Kellen Wright (786-7134).

Background:

The Growth Management Act (GMA) requires that certain counties, and the cities within those counties, engage in planning for future population growth. The central part of the planning process is the comprehensive plan. The Legislature has established 14 goals that should act as the basis of all comprehensive plans. Examples of goals include reducing sprawl, providing for affordable housing, and protecting property rights. The comprehensive plan must address these goals and set out the policies and standards that are meant to guide the city or county's actions and decisions in the future. These plans are required to be updated every eight years and must contain certain elements, such as a land use element, a housing element, and a capital facilities plan. These elements must satisfy the requirements for each individual element while fitting within the overall comprehensive plan.

One aspect of the comprehensive plan that must be reviewed and revised every eight years is the designation of urban growth areas (UGAs). Urban growth is growth that makes such intensive use of land for buildings, structures, and impermeable surfaces that is unsuitable to be used primarily for agriculture, natural resource use and management, or for rural uses. A UGA is an area designated by a county planning under the GMA inside of which urban growth is encouraged, and outside of which urban growth is prohibited. Each city must be included in an urban growth area, and a UGA can include more than one city within its boundaries. Areas outside of a city can also be included within a UGA, if the areas are already characterized by urban growth.

The Office of Financial Management provides population projections to counties. Using these projections, each county must ensure that areas and densities within a UGA are sufficient to permit the urban growth that is projected to occur in the county or city over the next 20 years. Each UGA must permit urban densities and provide for greenbelts and open spaces. Each city must include areas sufficient to accommodate the broad range of needs and uses that will accompany the population growth, including government, medical, commercial, and other nonresidential uses.

Urban government services include those services that are typically provided in cities, including storm and sewer systems, domestic water systems, public transit, public safety, and other services associated with urban areas and not associated with rural areas. Urban government services are most appropriately provided by cities, and cannot generally be extended into rural areas. Urban growth should be located first in areas already characterized by urban growth that possess adequate public facilities and services to accommodate the growth; second in areas with urban growth that may need additional services to accommodate the growth; and finally in the remaining portions of a UGA.

When reviewing and revising its comprehensive plan, a county must review its designated UGAs and the densities permitted within each UGA. Together with this county review, cities must review the densities permitted within their boundaries, and the extent to which the urban growth that has occurred has been in each city or in unincorporated areas of the county. County and city comprehensive plans must be revised to accommodate the urban growth projected to occur in the next 20 years.

Counties or cities planning under the GMA are required to designate critical areas, including wetlands, fish and wildlife habitat, and other areas, and must also designate agricultural lands, forestlands, and mineral resource lands. Cities and counties must adopt development regulations protecting these areas.

Within 14 months of a county initially becoming subject to the GMA's requirements, a county must adopt a countywide planning policy in consultation with the cities within the county. Countywide planning policies must address, among other things, policies to implement UGAs, policies to promote orderly development and to provide urban services to that development, and policies for joint county and city planning within UGAs.

An accessory dwelling unit (ADU) is a residential living unit providing independent living facilities and permanent provisions for sleeping, cooking, sanitation, and living on the same lot as a single-family house, duplex, triplex, townhome, or other housing unit.

Summary of Amended Bill:

When reviewing its designated UGAs, a county must also review the patterns of development within the urban growth areas.

If a county that is reviewing its UGAs determines that revision of the area is not required to accommodate the projected urban growth in the succeeding 20-years, but that patterns of development have created pressure in areas that exceed the available developable lands within the UGA, then the UGA may be revised to accommodate these identified patterns of development. The Department of Commerce (Department) must provide, by rule, how these patterns of development may be determined, as well as providing any other rules necessary for revision of UGAs. Any revision must be made in accordance with the countywide planning policy. Additionally, in order for such a revision to occur:

- the revised UGA may not result in an increased total surface area for the UGA;
- the areas added to the UGA have never been designated as agricultural, forest, or mineral resources lands of long-term commercial significance;
- less than 15 percent of the areas added to the UGA are critical resource areas;
- the areas added are suitable for urban growth;
- the transportation element and capital facilities plan element of the comprehensive plan have identified the facilities and services needed to serve the UGA and the

- funding to provide these facilities and services;
- the areas that are removed from the UGA when the new areas are added are not characterized by urban growth or urban densities;
- the revised UGA is contiguous, without holes or gaps, and will not increase pressure to urbanize rural or natural resource lands; and
- any cities within the UGA must have taken action to increase buildable residential land within the UGA, including by authorizing the development of accessory dwelling units through the residential areas of the UGA and authorizing duplexes, cottage apartments, town houses, or row houses in at least one designated residential area within the UGA.

Amended Bill Compared to Engrossed Substitute Bill:

The amendment makes the following changes to the engrossed substitute bill:

- requires the Department to provide by rule how the patterns of development that have created pressure in areas that exceed the buildable lands within the UGA are to be determined;
- requires any revisions to the UGA to be made in accordance with countywide planning policies; and
- requires that cities within a UGA must take action to increase buildable residential land within the existing boundary prior to revising the UGA, including authorizing the development of ADUs throughout the residential areas of the UGA, and authorizing duplexes, cottage apartments, town houses, or row houses in at least one designated residential area.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill adds flexibility to local governments while still ensuring that the intent of the GMA is adhered to. This bill addresses local government issues that can arise when development pressure is in a different area of a UGA than was originally anticipated. This bill allows for needed adjustments in that scenario, with easy land swaps to accommodate growth where it is actually happening. Development can change, and counties should be able to consider the growth patterns as they actually are rather than as it was projected they would be. This addresses situations where infill is not occurring, yet the local government is unable to change the boundaries to accommodate the growth that is occurring. This bill offers protections for resource lands and critical areas, and is a

balanced way to maintain the intent of the GMA while still providing needed flexibility to react to how growth within a UGA is actually occurring. The UGA is not allowed to expand, and this would not allow planning requirements to be avoided, but it would be a tool to allow additional housing and to meet other needs without sprawl or increasing the UGA footprint. There is a housing shortage, and this is a common sense tool to address that issue and others. Giving cities flexibility makes sense from multiple angles, and allows cities to correct historical mistakes by removing land that is not suitable for growth and to add lands that are more suitable. This bill allows for smart, affordable growth that capitalizes on existing infrastructure. Cities need tools to service current and future citizens, and this bill offers such a tool. Construction can help drive city revenues and to support city services.

(Opposed) None.

(Other) Jurisdictions can already shift UGAs, particularly if the area inside is not being increased. This bill sets out further guidance for land swaps. This could lead to potential litigation, as changes to UGAs can be very controversial, but this bill allows those changes to occur in a fair and understandable way. Land swaps can be a good opportunity to remove critical areas from within a UGA.

Persons Testifying: (In support) Senator Shelly Short, prime sponsor; Mark Schuller, City of Cheney; Brent Ludeman, Building Industry Association of Washington; and Paul Jewell, Washington State Association of Counties.

(Other) Bryce Yadon, Futurewise.

Persons Signed In To Testify But Not Testifying: None.