
HOUSE BILL 1981

State of Washington

67th Legislature

2022 Regular Session

By Representatives Pollet, Ryu, and Santos

Read first time 01/13/22. Referred to Committee on Local Government.

1 AN ACT Relating to local government planning; amending RCW
2 36.70A.190, 36.70A.030, 36.70A.070, 36.70A.215, 36.70A.215,
3 58.17.030, 84.55.005, 84.55.010, and 84.55.092; adding a new section
4 to chapter 64.38 RCW; adding a new section to chapter 36.70A RCW;
5 adding a new section to chapter 64.90 RCW; adding a new section to
6 chapter 82.45 RCW; adding a new section to chapter 43.330 RCW; adding
7 a new section to chapter 82.46 RCW; creating new sections; repealing
8 RCW 84.55.0101; making an appropriation; providing an effective date;
9 and providing an expiration date.

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

11 NEW SECTION. **Sec. 1.** The legislature finds that every
12 Washington resident has a right to safe, healthy, secure, and
13 affordable housing; and, that it is the responsibility of the state
14 and all cities and counties to plan for all current and future
15 residents within their jurisdictions of all income levels, race,
16 ethnicities to have such housing.

17 The legislature finds that it has duties under existing statutes,
18 including chapter 36.70A RCW, to provide funding for all cities and
19 counties to plan for new required elements of comprehensive plans
20 including, but not limited to, planning for affordable housing and
21 meeting the goals of the state in reducing our contribution to

1 climate change. The legislature recognizes that it has been difficult
2 to project what the costs may be of planning for new elements
3 pursuant to this act.

4 It is the intent of the legislature that the study provided for
5 in RCW 36.70A.190, and updates to it periodically thereafter, shall
6 determine what constitutes adequate funding for planning for new
7 elements of comprehensive plans and for the adoption of implementing
8 ordinances and development regulations pursuant to chapter 36.70A RCW
9 for future comprehensive plan updates. By adopting the additional
10 real estate excise tax in section 18 of this act for grants to
11 support local planning, the development of ordinances, and to provide
12 other assistance, in conjunction with authorization for local
13 governments to increase local revenues for implementing this act, the
14 legislature intends to provide adequate support for local governments
15 to conduct planning and adopt ordinances and policies required by
16 this act after fiscal year 2023.

17 **Sec. 2.** RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended
18 to read as follows:

19 (1) The department shall establish a program of technical and
20 financial assistance and incentives to counties and cities to
21 encourage and facilitate the adoption and implementation of
22 comprehensive plans and development regulations throughout the state.

23 (2)(a) The department shall evaluate the costs for counties and
24 cities to review and revise their comprehensive plans to assure
25 compliance with this chapter. This evaluation must be completed by
26 December 1, 2022, and updated every five years thereafter. The
27 department shall provide a report of the evaluation to the
28 legislature upon completion of the evaluation. The evaluation must
29 include, at a minimum, the costs for each general jurisdiction size
30 and type, and the costs to complete various types of planning
31 requirements, including:

- 32 (i) Meeting the requirements of a new goal in RCW 36.70A.020;
33 (ii) Meeting the requirements of a new comprehensive plan element
34 in RCW 36.70A.070;
35 (iii) Updating a critical areas ordinance;
36 (iv) Updating a shoreline master program ordinance;
37 (v) Making a minor update of a comprehensive plan element;
38 (vi) Making a complex update of a comprehensive plan element;
39 (vii) Updating a development regulation; and

1 (viii) Implementing a new development regulation.

2 (b) The department shall consult with the Washington state
3 association of counties and the association of Washington cities as
4 part of the process for performing and completing the evaluation.

5 (c) In order to ensure that jurisdictions receive adequate
6 funding for their comprehensive plan updates, the department shall
7 distribute funds in the form of grants from the local government
8 planning support account as provided for in section 19 of this act.

9 (3)(a) The department shall develop a priority list and establish
10 funding levels for planning and technical assistance grants both for
11 counties and cities that plan under RCW 36.70A.040. Priority for
12 assistance shall be based on a county's or city's population growth
13 rates, commercial and industrial development rates, the existence and
14 quality of a comprehensive plan and development regulations, and
15 other relevant factors.

16 ~~((3))~~ (b) The department may also contract with a nonprofit
17 agency with appropriate experience in providing technical assistance
18 and training to assist local governments related to comprehensive
19 planning and other obligations under this chapter.

20 (4) The department shall develop and administer a grant program
21 to provide direct financial assistance to counties and cities for the
22 preparation of comprehensive plans under this chapter. The department
23 may establish provisions for county and city matching funds to
24 conduct activities under this subsection. Grants may be expended for
25 any purpose directly related to the preparation of a county or city
26 comprehensive plan as the county or city and the department may
27 agree, including, without limitation, the conducting of surveys,
28 inventories and other data gathering and management activities, the
29 retention of planning consultants, contracts with regional councils
30 for planning and related services, and other related purposes.

31 ~~((4))~~ (5) The department shall establish a program of technical
32 assistance:

33 (a) Utilizing department staff, the staff of other state
34 agencies, and the technical resources of counties and cities to help
35 in the development of comprehensive plans required under this
36 chapter. The department shall make available planners and department
37 regulations specialists to cities and counties to assist in the
38 development of comprehensive plans and related development
39 regulations. Planners and specialists must possess qualifications and
40 experience in local government planning, and must be familiar with

1 the comprehensive planning process in Washington state. The planners
2 and specialists shall be allocated to primarily assist in an
3 individual region, with planners, specialists in geographic
4 information systems and other necessary specialists, and
5 statisticians or economists assigned to each region. The regions
6 shall be organized as follows:

7 (i) A central Puget Sound region comprised of King, Pierce,
8 Snohomish, and Kitsap counties;

9 (ii) An eastern Washington region comprised of counties located
10 east of the crest of the Cascade mountains; and

11 (iii) A western Washington region comprised of counties located
12 west of the crest of the Cascade mountains that are not included in
13 the central Puget Sound region, and including Skamania county;

14 (b) Additional technical assistance may include, but is not
15 ((be)) limited to, ((model land use ordinances,)) regional education
16 and training programs((,)) and information for local and regional
17 inventories; ((and

18 ~~(b))~~ (c) Providing model ordinances and development regulations
19 to cities and counties to implement updates to ordinances and
20 development regulations that are required under this chapter. If the
21 department prepares a model ordinance or regulation following public
22 review and comment, including review and comment after an
23 environmental review conducted pursuant to chapter 43.21C RCW, that
24 ordinance or regulation shall be entitled to deference in any review
25 or appeal of a local government's adoption of the ordinance or
26 regulation; and

27 (d) Adopting by rule procedural criteria to assist counties and
28 cities in adopting comprehensive plans and development regulations
29 that meet the goals and requirements of this chapter. These criteria
30 shall reflect regional and local variations and the diversity that
31 exists among different counties and cities that plan under this
32 chapter.

33 ((+5)) (6) The department shall provide mediation services to
34 resolve disputes between counties and cities regarding, among other
35 things, coordination of regional issues and designation of urban
36 growth areas.

37 ((+6)) (7) The department shall provide planning grants to
38 enhance citizen participation under RCW 36.70A.140.

1 **Sec. 3.** RCW 36.70A.030 and 2021 c 254 s 6 are each amended to
2 read as follows:

3 Unless the context clearly requires otherwise, the definitions in
4 this section apply throughout this chapter.

5 (1) "Adopt a comprehensive land use plan" means to enact a new
6 comprehensive land use plan or to update an existing comprehensive
7 land use plan.

8 (2) "Affordable housing" means, unless the context clearly
9 indicates otherwise, residential housing whose monthly costs,
10 including utilities other than telephone, do not exceed thirty
11 percent of the monthly income of a household whose income is:

12 (a) For rental housing, sixty percent of the median household
13 income adjusted for household size, for the county where the
14 household is located, as reported by the United States department of
15 housing and urban development; or

16 (b) For owner-occupied housing, eighty percent of the median
17 household income adjusted for household size, for the county where
18 the household is located, as reported by the United States department
19 of housing and urban development.

20 (3) "Agricultural land" means land primarily devoted to the
21 commercial production of horticultural, viticultural, floricultural,
22 dairy, apiary, vegetable, or animal products or of berries, grain,
23 hay, straw, turf, seed, Christmas trees not subject to the excise tax
24 imposed by RCW 84.33.100 through 84.33.140, finfish in upland
25 hatcheries, or livestock, and that has long-term commercial
26 significance for agricultural production.

27 (4) "City" means any city or town, including a code city.

28 (5) "Comprehensive land use plan," "comprehensive plan," or
29 "plan" means a generalized coordinated land use policy statement of
30 the governing body of a county or city that is adopted pursuant to
31 this chapter.

32 (6) "Critical areas" include the following areas and ecosystems:

33 (a) Wetlands; (b) areas with a critical recharging effect on aquifers
34 used for potable water; (c) fish and wildlife habitat conservation
35 areas; (d) frequently flooded areas; and (e) geologically hazardous
36 areas. "Fish and wildlife habitat conservation areas" does not
37 include such artificial features or constructs as irrigation delivery
38 systems, irrigation infrastructure, irrigation canals, or drainage
39 ditches that lie within the boundaries of and are maintained by a
40 port district or an irrigation district or company.

1 (7) "Department" means the department of commerce.

2 (8) "Development regulations" or "regulation" means the controls
3 placed on development or land use activities by a county or city,
4 including, but not limited to, zoning ordinances, critical areas
5 ordinances, shoreline master programs, official controls, planned
6 unit development ordinances, subdivision ordinances, and binding site
7 plan ordinances together with any amendments thereto. A development
8 regulation does not include a decision to approve a project permit
9 application, as defined in RCW 36.70B.020, even though the decision
10 may be expressed in a resolution or ordinance of the legislative body
11 of the county or city.

12 (9) "Emergency housing" means temporary indoor accommodations for
13 individuals or families who are homeless or at imminent risk of
14 becoming homeless that is intended to address the basic health, food,
15 clothing, and personal hygiene needs of individuals or families.
16 Emergency housing may or may not require occupants to enter into a
17 lease or an occupancy agreement.

18 (10) "Emergency shelter" means a facility that provides a
19 temporary shelter for individuals or families who are currently
20 homeless. Emergency shelter may not require occupants to enter into a
21 lease or an occupancy agreement. Emergency shelter facilities may
22 include day and warming centers that do not provide overnight
23 accommodations.

24 (11) "Extremely low-income household" means a single person,
25 family, or unrelated persons living together whose adjusted income is
26 at or below thirty percent of the median household income adjusted
27 for household size, for the county where the household is located, as
28 reported by the United States department of housing and urban
29 development.

30 (12) "Forestland" means land primarily devoted to growing trees
31 for long-term commercial timber production on land that can be
32 economically and practically managed for such production, including
33 Christmas trees subject to the excise tax imposed under RCW 84.33.100
34 through 84.33.140, and that has long-term commercial significance. In
35 determining whether forestland is primarily devoted to growing trees
36 for long-term commercial timber production on land that can be
37 economically and practically managed for such production, the
38 following factors shall be considered: (a) The proximity of the land
39 to urban, suburban, and rural settlements; (b) surrounding parcel
40 size and the compatibility and intensity of adjacent and nearby land

1 uses; (c) long-term local economic conditions that affect the ability
2 to manage for timber production; and (d) the availability of public
3 facilities and services conducive to conversion of forestland to
4 other uses.

5 (13) "Freight rail dependent uses" means buildings and other
6 infrastructure that are used in the fabrication, processing, storage,
7 and transport of goods where the use is dependent on and makes use of
8 an adjacent short line railroad. Such facilities are both urban and
9 rural development for purposes of this chapter. "Freight rail
10 dependent uses" does not include buildings and other infrastructure
11 that are used in the fabrication, processing, storage, and transport
12 of coal, liquefied natural gas, or "crude oil" as defined in RCW
13 90.56.010.

14 (14) "Geologically hazardous areas" means areas that because of
15 their susceptibility to erosion, sliding, earthquake, or other
16 geological events, are not suited to the siting of commercial,
17 residential, or industrial development consistent with public health
18 or safety concerns.

19 (15) "Long-term commercial significance" includes the growing
20 capacity, productivity, and soil composition of the land for long-
21 term commercial production, in consideration with the land's
22 proximity to population areas, and the possibility of more intense
23 uses of the land.

24 (16) "Low-income household" means a single person, family, or
25 unrelated persons living together whose adjusted income is at or
26 below eighty percent of the median household income adjusted for
27 household size, for the county where the household is located, as
28 reported by the United States department of housing and urban
29 development.

30 (17) "Minerals" include gravel, sand, and valuable metallic
31 substances.

32 (18) "Moderate-income household" means a single person, family,
33 or unrelated persons living together whose adjusted income is at or
34 below 120 percent of the median household income adjusted for
35 household size, for the county where the household is located, as
36 reported by the United States department of housing and urban
37 development.

38 (19) "Permanent supportive housing" is subsidized, leased housing
39 with no limit on length of stay that prioritizes people who need
40 comprehensive support services to retain tenancy and utilizes

1 admissions practices designed to use lower barriers to entry than
2 would be typical for other subsidized or unsubsidized rental housing,
3 especially related to rental history, criminal history, and personal
4 behaviors. Permanent supportive housing is paired with on-site or
5 off-site voluntary services designed to support a person living with
6 a complex and disabling behavioral health or physical health
7 condition who was experiencing homelessness or was at imminent risk
8 of homelessness prior to moving into housing to retain their housing
9 and be a successful tenant in a housing arrangement, improve the
10 resident's health status, and connect the resident of the housing
11 with community-based health care, treatment, or employment services.
12 Permanent supportive housing is subject to all of the rights and
13 responsibilities defined in chapter 59.18 RCW.

14 (20) "Public facilities" include streets, roads, highways,
15 sidewalks, street and road lighting systems, traffic signals,
16 domestic water systems, storm and sanitary sewer systems, parks and
17 recreational facilities, and schools.

18 (21) "Public services" include fire protection and suppression,
19 law enforcement, public health, education, recreation, environmental
20 protection, and other governmental services.

21 (22) "Recreational land" means land so designated under RCW
22 36.70A.1701 and that, immediately prior to this designation, was
23 designated as agricultural land of long-term commercial significance
24 under RCW 36.70A.170. Recreational land must have playing fields and
25 supporting facilities existing before July 1, 2004, for sports played
26 on grass playing fields.

27 (23) "Rural character" refers to the patterns of land use and
28 development established by a county in the rural element of its
29 comprehensive plan:

30 (a) In which open space, the natural landscape, and vegetation
31 predominate over the built environment;

32 (b) That foster traditional rural lifestyles, rural-based
33 economies, and opportunities to both live and work in rural areas;

34 (c) That provide visual landscapes that are traditionally found
35 in rural areas and communities;

36 (d) That are compatible with the use of the land by wildlife and
37 for fish and wildlife habitat;

38 (e) That reduce the inappropriate conversion of undeveloped land
39 into sprawling, low-density development;

1 (f) That generally do not require the extension of urban
2 governmental services; and

3 (g) That are consistent with the protection of natural surface
4 water flows and groundwater and surface water recharge and discharge
5 areas.

6 (24) "Rural development" refers to development outside the urban
7 growth area and outside agricultural, forest, and mineral resource
8 lands designated pursuant to RCW 36.70A.170. Rural development can
9 consist of a variety of uses and residential densities, including
10 clustered residential development, at levels that are consistent with
11 the preservation of rural character and the requirements of the rural
12 element. Rural development does not refer to agriculture or forestry
13 activities that may be conducted in rural areas.

14 (25) "Rural governmental services" or "rural services" include
15 those public services and public facilities historically and
16 typically delivered at an intensity usually found in rural areas, and
17 may include domestic water systems, fire and police protection
18 services, transportation and public transit services, and other
19 public utilities associated with rural development and normally not
20 associated with urban areas. Rural services do not include storm or
21 sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

22 (26) "Short line railroad" means those railroad lines designated
23 class II or class III by the United States surface transportation
24 board.

25 (27) "Urban governmental services" or "urban services" include
26 those public services and public facilities at an intensity
27 historically and typically provided in cities, specifically including
28 storm and sanitary sewer systems, domestic water systems, street
29 cleaning services, fire and police protection services, public
30 transit services, and other public utilities associated with urban
31 areas and normally not associated with rural areas.

32 (28) "Urban growth" refers to growth that makes intensive use of
33 land for the location of buildings, structures, and impermeable
34 surfaces to such a degree as to be incompatible with the primary use
35 of land for the production of food, other agricultural products, or
36 fiber, or the extraction of mineral resources, rural uses, rural
37 development, and natural resource lands designated pursuant to RCW
38 36.70A.170. A pattern of more intensive rural development, as
39 provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed
40 to spread over wide areas, urban growth typically requires urban

1 governmental services. "Characterized by urban growth" refers to land
2 having urban growth located on it, or to land located in relationship
3 to an area with urban growth on it as to be appropriate for urban
4 growth.

5 (29) "Urban growth areas" means those areas designated by a
6 county pursuant to RCW 36.70A.110.

7 (30) "Very low-income household" means a single person, family,
8 or unrelated persons living together whose adjusted income is at or
9 below fifty percent of the median household income adjusted for
10 household size, for the county where the household is located, as
11 reported by the United States department of housing and urban
12 development.

13 (31) "Wetland" or "wetlands" means areas that are inundated or
14 saturated by surface water or groundwater at a frequency and duration
15 sufficient to support, and that under normal circumstances do
16 support, a prevalence of vegetation typically adapted for life in
17 saturated soil conditions. Wetlands generally include swamps,
18 marshes, bogs, and similar areas. Wetlands do not include those
19 artificial wetlands intentionally created from nonwetland sites,
20 including, but not limited to, irrigation and drainage ditches,
21 grass-lined swales, canals, detention facilities, wastewater
22 treatment facilities, farm ponds, and landscape amenities, or those
23 wetlands created after July 1, 1990, that were unintentionally
24 created as a result of the construction of a road, street, or
25 highway. Wetlands may include those artificial wetlands intentionally
26 created from nonwetland areas created to mitigate conversion of
27 wetlands.

28 (32) "Cottage apartments" means four or more residential units on
29 a lot with a common open space that is either:

30 (a) Owned in common; or

31 (b) Has units owned as condominium units with property owned in
32 common and a minimum of 80 percent of the lot size as open space.

33 (33) "Frequent transit service" means:

34 (a) A stop on a high capacity transportation system funded or
35 expanded under the provisions of chapter 81.104 RCW;

36 (b) Commuter rail stops;

37 (c) Stops on rail or fixed guideway systems, including
38 transitways;

39 (d) Stops on bus rapid transit routes or routes that run on high
40 occupancy vehicle lanes with service at intervals no greater than 15

1 minutes apart for five hours during the peak hours of operation on
2 weekdays;

3 (e) Stops for a bus or other transit mode providing actual fixed
4 route service, or circulator service to another form of frequent
5 transit, at intervals of at least 15 minutes for at least five hours
6 during the peak hours of operation on weekdays; or

7 (f) Washington state ferry terminals.

8 **Sec. 4.** RCW 36.70A.070 and 2021 c 254 s 2 are each amended to
9 read as follows:

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

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

34 (2) A housing element ensuring the vitality and character of
35 established residential neighborhoods that:

36 (a) Includes an inventory and analysis of existing and projected
37 housing needs that identifies the number of housing units necessary
38 to manage projected growth, as provided by the department of
39 commerce, including:

1 (i) Units for moderate, low, very low, and extremely low-income
2 households; and

3 (ii) Emergency housing, emergency shelters, and permanent
4 supportive housing;

5 (b) Includes a statement of goals, policies, objectives, and
6 mandatory provisions for the preservation, improvement, and
7 development of housing, including single-family residences, and
8 within an urban growth area boundary, moderate density housing
9 options including ~~((+,+))~~, but not limited to, duplexes, triplexes,
10 cottage apartments, accessory dwelling units, and townhomes;

11 (i) This element shall include a plan to prevent displacement of
12 very low, low, and moderate-income households and communities of
13 color who have traditionally been disparately impacted by planning
14 and zoning policies and practices. These plans must include specific
15 provisions regarding how the jurisdiction will enable such households
16 to remain in the jurisdiction and maintain community connections and
17 ensure that the jurisdiction will provide a reasonably proportionate
18 opportunity for new very low, low, and moderate-income households in
19 the jurisdiction as part of meeting goals for overall population and
20 economic segments of the forecasted population growth. For any
21 subarea of a jurisdiction required by this chapter to allow for
22 development of four or more units on a property, prior to
23 subdivision, the jurisdiction shall adopt an antidisplacement program
24 pursuant to (k) and (l) of this subsection.

25 (ii) To increase density within the portion of an urban growth
26 area that is within a reasonable walkable distance of frequent
27 transit service, this element and implementing regulations adopted
28 pursuant to the plan shall provide for the following types of
29 housing, or the following net density of housing and increase in
30 floor area ratio of residential coverage of lots:

31 (A) Within one-quarter mile, based on walking distance, of
32 frequent transit service for jurisdictions with over 25,000 residents
33 or whose population forecast from the department projects that the
34 jurisdiction will exceed and should plan for a population over 25,000
35 prior to the next comprehensive plan update, either:

36 (I) For any lot of 4,000 or more square feet, the jurisdiction
37 shall allow, at minimum, for the following housing types: Duplexes,
38 triplexes, cottage apartments, three townhomes, and both attached and
39 detached accessory dwelling units. The jurisdiction may apply all
40 otherwise applicable regulations. For any lot of 5,000 or more square

1 feet, the jurisdiction shall also allow fourplexes or four townhomes
2 if the lot may accommodate them while having shared open space
3 equivalent to 20 percent of the lot. The jurisdiction may apply all
4 otherwise applicable regulations, including regulations for health,
5 safety, setbacks, utility access, climate change goals, open space,
6 limits on impermeable surface areas, sunlight, or significant trees
7 and tree canopy; or

8 (II) The jurisdiction shall provide for a net density of at least
9 33 residential units per acre relying on a mix of housing types,
10 which may include multifamily housing. The jurisdiction shall either
11 allow, at minimum, duplexes, townhomes, cottage apartments, and
12 accessory dwelling units on each lot, or utilize a floor area or lot
13 size ratio to accomplish this level of density. In providing for a
14 net density of at least 33 residential units per acre the
15 jurisdiction shall ensure that multifamily housing within such area
16 includes residential units to meet projections of housing needed
17 within the planning horizon for families and households of various
18 sizes;

19 (B) Within one-half mile, based on walking distance, of frequent
20 transit service for jurisdictions with over 25,000 residents or whose
21 population forecast from the department projects that the
22 jurisdiction will exceed and should plan for a population over 25,000
23 prior to the next comprehensive plan update, either:

24 (I) For any lot of 4,500 or more square feet, the jurisdiction
25 shall allow, at minimum, duplexes, two townhomes, and both attached
26 and detached accessory dwelling units. The jurisdiction may apply all
27 otherwise applicable regulations, including regulations for health,
28 safety, setbacks, utility access, climate change goals, open space,
29 limits on impermeable surface areas, sunlight, or tree canopy; or

30 (II) The jurisdiction shall provide for a net density of at least
31 20 residential units per acre relying on a mix of housing types,
32 which may include multifamily housing. The jurisdiction shall either
33 allow, at minimum, duplexes, townhomes, cottage apartments, and
34 accessory dwelling units on each lot, or utilize a floor area or lot
35 size ratio to accomplish this level of density; and

36 (C) Within one-quarter mile, based on walking distance, of
37 frequent transit service for jurisdictions with over 10,000
38 residents, either:

39 (I) For any lot of 5,000 or more square feet, the jurisdiction
40 shall allow, at minimum, two residential units which shall include

1 duplexes, cottage apartments, and townhomes, in addition to allowing
2 both, at minimum, one attached and detached accessory dwelling unit.
3 The jurisdiction may apply all otherwise applicable regulations,
4 including regulations for health, safety, setbacks, utility access,
5 climate change goals, open space, limits on impermeable surface
6 areas, sunlight, or tree canopy; or

7 (II) The jurisdiction shall provide for a net density of at least
8 16 residential units per acre relying on a mix of housing types,
9 which may include multifamily housing. The jurisdiction may either
10 utilize a floor area or lot size ratio to accomplish this level of
11 density.

12 (iii) Required increases in density, floor area ratio, or the
13 types of housing units allowed on lots with existing housing units
14 pursuant to this chapter or any new additions to this chapter
15 effective after January 1, 2022, shall be incorporated into
16 appropriate development regulations applicable in all subareas of a
17 jurisdiction required to plan under this chapter within two years
18 after the jurisdiction adopts its next comprehensive plan. Plans
19 shall be based on findings and analyses in the record regarding
20 whether infrastructure capacities in subareas of the jurisdiction are
21 sufficient to meet the increased demands on infrastructure and
22 services from the required allowance of new infill housing including,
23 but not limited to:

24 (A) Sewage, septic system, and stormwater capacity, including
25 whether increased infill may have a significant adverse effect on
26 standards of service, consent agreements, or orders to reduce
27 overflows and discharges to surface waters, compliance with
28 regulatory requirements, or clean water goals adopted by federal,
29 state, and local agencies such as the Puget Sound partnership,
30 department of ecology, department of health, or board of health, or a
31 local health jurisdiction. For any area which the planning
32 jurisdiction finds that sewer, septic, stormwater, or other utility
33 infrastructure capacity is inadequate to support the increased infill
34 housing required by this chapter, the jurisdiction shall either adopt
35 an infrastructure plan to expand capacity over the course of the next
36 two comprehensive plan cycles in consultation with all relevant
37 utility providers, or document in the plan that expanded capacity
38 would necessarily conflict with attaining compliance or meeting goals
39 established pursuant to federal, state, or local environmental or
40 health agencies. The findings and plan to provide infrastructure for

1 areas shall be submitted to the department for review. The department
2 shall coordinate comments from other relevant state agencies and
3 formally transmit those comments to the city or county. Within 60
4 days of the receipt of the department's comments, findings that
5 increasing infill are not attainable without conflicting with such
6 other goals and requirements may be appealed to the growth management
7 hearings board pursuant to RCW 36.70A.280;

8 (B) School capacity, including not creating new violations, or
9 exacerbating existing violations, of standards adopted by the state
10 regarding the number of students in classes. This analysis shall be
11 done in consultation with school districts serving the studied area.
12 If inadequate capacity exists, the planning jurisdiction, in
13 collaboration with the relevant school district or districts, shall
14 adopt reasonable plans to accommodate such growth over the next
15 decade. This shall include imposition of school impact fees
16 authorized under RCW 82.02.050 as one element to meet capacity needs
17 identified by the school district for specific areas in which school
18 capacity will not meet standards due to the increased infill;

19 (C) Drinking and domestic water sources. Increased infill
20 otherwise required by this chapter shall not apply in any portion of
21 a jurisdiction if it is found that the additional requirements for
22 development of lots will adversely affect minimum instream flows
23 established by the department of ecology or salmon and other
24 endangered or threatened species recovery plans, groundwater
25 protection plans, wetland, shoreline, tree canopy, or open space and
26 species preservation goals or violation of the rights of federally
27 recognized tribes to utilize resources under treaties;

28 (D) Public safety services including fire and police. In any
29 areas where increased infill required by this act would result in the
30 inability of fire, emergency, and police services to respond without
31 significant violation of standards, the implementation may be delayed
32 by up to two years, and up to five years if the violation of
33 standards relates to physical infrastructure such as water, if the
34 jurisdiction submits findings to the department which demonstrate a
35 need for delayed implementation accompanied by a plan which the
36 department concurs will enable the jurisdiction to meet such service
37 standards within a two-year period;

38 (E) Plans to meet transportation needs of residents who are not
39 within one-half mile of frequent transit, or who, due to disability,
40 age, or geography may not be able to access transit or household

1 shopping without violating goals adopted under this chapter or other
2 state programs to reduce vehicle miles traveled and to meet goals to
3 reduce the effects of development and transportation on climate
4 change. Approval of new development under this section must meet
5 requirements for concurrency pursuant to subsection (6)(b) of this
6 section;

7 (F) Electricity capacity, including electricity loads incurred
8 from new housing and services from adding housing infill pursuant to
9 this chapter to serve the entire needs of residential units for
10 heating, cooling, and vehicle charging. In determining if adequate
11 electrical capacity exists the planning jurisdiction shall consult
12 with electric utility providers on demand projections and capacity.
13 The planning jurisdiction may also include in its development
14 regulations provisions to ensure residents have access to electric
15 vehicle charging to meet state and local goals related to climate
16 change. If increased housing infill will cause a risk of service
17 interruption or other violation of expected service standards for a
18 defined area of the planning jurisdiction, a deferment to provide
19 increased capacity shall be approved by the department for no more
20 than five years until development regulations for increased housing
21 infill shall take effect; and

22 (G) Open space and tree canopy goals adopted pursuant to this
23 chapter, including ensuring that no resident in a jurisdiction
24 resides more than one-half mile from open space with recreation for
25 youth and undeveloped open space.

26 (iv) The comprehensive plan shall describe the mechanisms which
27 will be utilized, including interlocal agreements with transit
28 providers, to ensure that transit frequency relied on in the plan,
29 development regulations, and permitting decisions is continued and
30 will not be diminished. For any area where such transit frequency is
31 not reasonably assured, the level of required density or mix of
32 housing required by this section shall not increase above that of the
33 next lower level of density or housing mix required by this section.

34 (v) In calculating net densities within one-quarter or one-half
35 mile of frequent transit service under this section, a jurisdiction
36 may choose to exclude critical areas and open space protected from
37 development from the area on which such calculations are based;

38 (c) Identifies sufficient capacity of land for housing including,
39 but not limited to, government-assisted housing, housing for
40 moderate, low, very low, and extremely low-income households,

1 manufactured housing, multifamily housing, group homes, foster care
2 facilities, emergency housing, emergency shelters, permanent
3 supportive housing, and within an urban growth area boundary,
4 consideration of duplexes, triplexes, cottage apartments, accessory
5 dwelling units, and townhomes;

6 (d) Makes adequate provisions for existing and projected needs of
7 all economic segments of the community, including:

8 (i) Incorporating consideration for low, very low, extremely low,
9 and moderate-income households;

10 (ii) Documenting programs and actions needed to achieve housing
11 availability including gaps in local funding, barriers such as
12 development regulations, and other limitations;

13 (iii) Consideration of housing locations in relation to
14 employment location and shopping for household essentials, including
15 food and health products; and

16 (iv) Consideration of the role of accessory dwelling units in
17 meeting housing needs;

18 (e) Examines the infrastructure in each geographic area to:

19 (i) Determine what increase in net density and additional housing
20 types or subdivided lot sizes will be supported by the existing
21 infrastructure; and

22 (ii) Adopt plans to improve existing infrastructure to achieve
23 goals of increasing the affordability of housing within the
24 neighborhoods for all economic segments of the population and for
25 increasing housing density within urban growth areas through infill
26 development in unused and underutilized lands within existing
27 development patterns in the next 20-year planning period.

28 (A) The increase in net density may be met for the geographic
29 area through any combination of allowable infill choices provided
30 that there is no net displacement of residents and that the increase
31 in net density also results in an increase of the housing affordable
32 to lower and moderate-income residents.

33 (B) Jurisdictions shall plan to extend infrastructure so that any
34 area of the jurisdiction within an urban growth area that is not
35 subject to development restrictions, such as critical areas, will
36 have infrastructure to support increased density through infill;

37 (f) Identifies local policies and regulations that result in
38 racially disparate impacts, displacement, and exclusion in housing,
39 including:

40 (i) Zoning that may have a discriminatory effect;

1 (ii) Disinvestment; and

2 (iii) Infrastructure availability;

3 ~~((f))~~ (g) Identifies and implements policies and regulations to
4 address and begin to undo racially disparate impacts, displacement,
5 and exclusion in housing caused by local policies, plans, and
6 actions;

7 ~~((g))~~ (h) Requires significant increased economic integration
8 among all economic segments of the population to occur in all areas
9 of the jurisdiction through the use of the housing types listed in
10 (b) of this subsection (2);

11 (i) Allows, to the extent supported by existing infrastructure,
12 for infill development and mixed commercial-residential housing to
13 support walkable shopping and increased density in neighborhood
14 business zones, and subdivision of lots to increase the supply of
15 housing affordable to moderate and lower income residents. Options
16 for subdivision include allowing lot sizes as follows:

17 (i) For cities with a population over 40,000, subdivision of lots
18 to 3,200 square feet or 80 percent of the average lot on a block
19 within an urban growth area is allowed;

20 (ii) For new development on lots under 3,200 square feet in an
21 area, a special exception is required which includes public notice
22 and an opportunity to appeal pursuant to this chapter and the land
23 use petition act in chapter 36.70C RCW; and

24 (iii) For short subdivision of lots developed with more than one
25 house, ownership of the houses may be divided using the unit lot
26 subdivision process. A property containing a detached accessory
27 dwelling unit may be segregated in ownership from the principal
28 dwelling unit;

29 (j) Establishes a goal and plan to adopt development regulations,
30 investments, incentives, or other programs which will achieve
31 substantial measurable progress over a 20-year planning horizon
32 toward increased economic and racial integration in all areas of the
33 jurisdiction through programs encouraging, authorizing, directly
34 investing in, or incentivizing new affordable housing options for all
35 economic segments of the population including duplex, triplex,
36 townhomes, accessory dwelling units, multifamily housing, subdivision
37 of properties above minimum lot size, or with condominium common
38 ownership;

1 (k) Identifies areas that may be at higher risk of displacement
2 from market forces that occur with changes to zoning development
3 regulations and capital investments;

4 (l) Identifies areas that may be at higher risk of displacement
5 from market forces that occur with changes to zoning development
6 regulations and capital investments; and

7 ~~((h))~~ (m) Establishes antidisplacement policies, with
8 consideration given to the preservation of historical and cultural
9 communities as well as investments in low, very low, extremely low,
10 and moderate-income housing; equitable development initiatives;
11 inclusionary zoning; community planning requirements; tenant
12 protections; land disposition policies; and consideration of land
13 that may be used for affordable housing. The county or city shall
14 make a finding that comprehensive plans and development regulations
15 affirmatively prevent displacement of lower and moderate-income
16 communities members, including families, in communities of interest.
17 Such communities shall be determined based on community input
18 solicited through appropriate outreach, including public meetings, in
19 order to ensure that there is no net displacement of lower and
20 moderate-income residents or people from racial, ethnic, and
21 religious communities which have been subject to discriminatory
22 housing policies in the past; and

23 (n) To address the loss of affordable housing due to market
24 forces and increasing density requirements, and to increase the
25 benefits for children, health, and equity, each jurisdiction with
26 25,000 residents or more shall adopt a subelement of their plan's
27 housing element which will ensure that through fees, zoning,
28 investments, subsidies, or development incentives, all new
29 development of new residential units with four or more units
30 permitted for a single lot, plat, short or long-plat, or subdivision
31 within the urban growth area shall have at least one unit of each
32 four units which is affordable for rental or ownership to households
33 at the very low, low, and moderate-income levels depending on needs
34 identified for housing in this section. This subelement shall ensure
35 that the jurisdiction will adopt development regulations, fees,
36 incentives, subsidies, or funded investment programs that are found
37 to reasonably meet the projected needs for new housing for all
38 economic segments of the region and to prevent displacement of lower
39 income residents and communities.

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

7 (3) A capital facilities plan element consisting of: (a) An
8 inventory of existing capital facilities owned by public entities,
9 showing the locations and capacities of the capital facilities; (b) a
10 forecast of the future needs for such capital facilities; (c) the
11 proposed locations and capacities of expanded or new capital
12 facilities; (d) at least a six-year plan that will finance such
13 capital facilities within projected funding capacities and clearly
14 identifies sources of public money for such purposes; and (e) a
15 requirement to reassess the land use element if probable funding
16 falls short of meeting existing needs and to ensure that the land use
17 element, capital facilities plan element, and financing plan within
18 the capital facilities plan element are coordinated and consistent.
19 Park and recreation facilities, with specific goals and implementing
20 plans to address health inequities, including those due to high heat
21 resulting from climate changes, which will ensure open space for
22 active and passive recreation, which includes publicly accessible
23 areas with mature tree canopy, is accessible within one-half mile of
24 residents residing within urban growth areas in areas with net
25 densities exceeding 33 residential units per acre shall be included
26 in the capital facilities plan ((element)) and park and recreation
27 elements. The capital facilities element shall also include plans for
28 adequate school capacity to meet standards for class size in public
29 schools and early learning access set by the legislature, to be
30 developed in consultation with school districts within the city or
31 county. The city or county shall include in the plan record any
32 comments on the adequacy of plans and financing from school
33 districts, including whether school impact fees are adequate to meet
34 the school capacity needs related to new residential development.
35 Plans must provide a reasonable basis to ensure that lands and
36 financing to meet school capacity needs will be met through local
37 city or county levies, including park and recreation service area
38 levies authorized in RCW 84.52.754, park and recreation district
39 levies authorized in RCW 36.68.525, sales tax levies authorized in
40 chapter 82.08 RCW, real estate excise taxes authorized in RCW

1 82.45.180, and other local government levy authorities, in addition
2 to school district bond and levy capacity and forecasted state school
3 construction assistance, to accommodate increased school capacities.

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:

12 (a) Growth management act goals and local circumstances. Because
13 circumstances vary from county to county, in establishing patterns of
14 rural densities and uses, a county may consider local circumstances,
15 but shall develop a written record explaining how the rural element
16 harmonizes the planning goals in RCW 36.70A.020 and meets the
17 requirements of this chapter.

18 (b) Rural development. The rural element shall permit rural
19 development, forestry, and agriculture in rural areas. The rural
20 element shall provide for a variety of rural densities, uses,
21 essential public facilities, and rural governmental services needed
22 to serve the permitted densities and uses. To achieve a variety of
23 rural densities and uses, counties may provide for clustering,
24 density transfer, design guidelines, conservation easements, and
25 other innovative techniques that will accommodate appropriate rural
26 economic advancement, densities, and uses that are not characterized
27 by urban growth and that are consistent with rural character.

28 (c) Measures governing rural development. The rural element shall
29 include measures that apply to rural development and protect the
30 rural character of the area, as established by the county, by:

31 (i) Containing or otherwise controlling rural development;

32 (ii) Assuring visual compatibility of rural development with the
33 surrounding rural area;

34 (iii) Reducing the inappropriate conversion of undeveloped land
35 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.

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

7 (i) Rural development consisting of the infill, development, or
8 redevelopment of existing commercial, industrial, residential, or
9 mixed-use areas, whether characterized as shoreline development,
10 villages, hamlets, rural activity centers, or crossroads
11 developments.

12 (A) A commercial, industrial, residential, shoreline, or mixed-
13 use area are subject to the requirements of (d)(iv) of this
14 subsection, but are not subject to the requirements of (c)(ii) and
15 (iii) of this subsection.

16 (B) Any development or redevelopment other than an industrial
17 area or an industrial use within a mixed-use area or an industrial
18 area under this subsection (5)(d)(i) must be principally designed to
19 serve the existing and projected rural population.

20 (C) Any development or redevelopment in terms of building size,
21 scale, use, or intensity shall be consistent with the character of
22 the existing areas. Development and redevelopment may include changes
23 in use from vacant land or a previously existing use so long as the
24 new use conforms to the requirements of this subsection (5);

25 (ii) The intensification of development on lots containing, or
26 new development of, small-scale recreational or tourist uses,
27 including commercial facilities to serve those recreational or
28 tourist uses, that rely on a rural location and setting, but that do
29 not include new residential development. A small-scale recreation or
30 tourist use is not required to be principally designed to serve the
31 existing and projected rural population. Public services and public
32 facilities shall be limited to those necessary to serve the
33 recreation or tourist use and shall be provided in a manner that does
34 not permit low-density sprawl;

35 (iii) The intensification of development on lots containing
36 isolated nonresidential uses or new development of isolated cottage
37 industries and isolated small-scale businesses that are not
38 principally designed to serve the existing and projected rural
39 population and nonresidential uses, but do provide job opportunities
40 for rural residents. Rural counties may allow the expansion of small-

1 scale businesses as long as those small-scale businesses conform with
2 the rural character of the area as defined by the local government
3 according to RCW 36.70A.030(23). Rural counties may also allow new
4 small-scale businesses to utilize a site previously occupied by an
5 existing business as long as the new small-scale business conforms to
6 the rural character of the area as defined by the local government
7 according to RCW 36.70A.030(23). Public services and public
8 facilities shall be limited to those necessary to serve the isolated
9 nonresidential use and shall be provided in a manner that does not
10 permit low-density sprawl;

11 (iv) A county shall adopt measures to minimize and contain the
12 existing areas or uses of more intensive rural development, as
13 appropriate, authorized under this subsection. Lands included in such
14 existing areas or uses shall not extend beyond the logical outer
15 boundary of the existing area or use, thereby allowing a new pattern
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
19 include undeveloped lands if limited as provided in this subsection.
20 The county shall establish the logical outer boundary of an area of
21 more intensive rural development. In establishing the logical outer
22 boundary, the county shall address (A) the need to preserve the
23 character of existing natural neighborhoods and communities, (B)
24 physical boundaries, such as bodies of water, streets and highways,
25 and land forms and contours, (C) the prevention of abnormally
26 irregular boundaries, and (D) the ability to provide public
27 facilities and public services in a manner that does not permit low-
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;

33 (B) On the date the county adopted a resolution under RCW
34 36.70A.040(2), in a county that is planning under all of the
35 provisions of this chapter under RCW 36.70A.040(2); or

36 (C) On the date the office of financial management certifies the
37 county's population as provided in RCW 36.70A.040(5), in a county
38 that is planning under all of the provisions of this chapter pursuant
39 to RCW 36.70A.040(5).

1 (e) Exception. This subsection shall not be interpreted to permit
2 in the rural area a major industrial development or a master planned
3 resort unless otherwise specifically permitted under RCW 36.70A.360
4 and 36.70A.365.

5 (6) A transportation element that implements, and is consistent
6 with, the land use element.

7 (a) The transportation element shall include the following
8 subelements:

9 (i) Land use assumptions used in estimating travel;

10 (ii) Estimated traffic impacts to state-owned transportation
11 facilities resulting from land use assumptions to assist the
12 department of transportation in monitoring the performance of state
13 facilities, to plan improvements for the facilities, and to assess
14 the impact of land-use decisions on state-owned transportation
15 facilities;

16 (iii) Facilities and services needs, including:

17 (A) An inventory of air, water, and ground transportation
18 facilities and services, including transit alignments and general
19 aviation airport facilities, to define existing capital facilities
20 and travel levels as a basis for future planning. This inventory must
21 include state-owned transportation facilities within the city or
22 county's jurisdictional boundaries;

23 (B) Level of service standards for all locally owned arterials
24 and transit routes to serve as a gauge to judge performance of the
25 system. These standards should be regionally coordinated;

26 (C) For state-owned transportation facilities, level of service
27 standards for highways, as prescribed in chapters 47.06 and 47.80
28 RCW, to gauge the performance of the system. The purposes of
29 reflecting level of service standards for state highways in the local
30 comprehensive plan are to monitor the performance of the system, to
31 evaluate improvement strategies, and to facilitate coordination
32 between the county's or city's six-year street, road, or transit
33 program and the office of financial management's ten-year investment
34 program. The concurrency requirements of (b) of this subsection do
35 not apply to transportation facilities and services of statewide
36 significance except for counties consisting of islands whose only
37 connection to the mainland are state highways or ferry routes. In
38 these island counties, state highways and ferry route capacity must
39 be a factor in meeting the concurrency requirements in (b) of this
40 subsection;

1 (D) Specific actions and requirements for bringing into
2 compliance locally owned transportation facilities or services that
3 are below an established level of service standard;

4 (E) Forecasts of traffic for at least ten years based on the
5 adopted land use plan to provide information on the location, timing,
6 and capacity needs of future growth;

7 (F) Identification of state and local system needs to meet
8 current and future demands. Identified needs on state-owned
9 transportation facilities must be consistent with the statewide
10 multimodal transportation plan required under chapter 47.06 RCW;

11 (iv) Finance, including:

12 (A) An analysis of funding capability to judge needs against
13 probable funding resources;

14 (B) A multiyear financing plan based on the needs identified in
15 the comprehensive plan, the appropriate parts of which shall serve as
16 the basis for the six-year street, road, or transit program required
17 by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW
18 35.58.2795 for public transportation systems. The multiyear financing
19 plan should be coordinated with the ten-year investment program
20 developed by the office of financial management as required by RCW
21 47.05.030;

22 (C) If probable funding falls short of meeting identified needs,
23 a discussion of how additional funding will be raised, or how land
24 use assumptions will be reassessed to ensure that level of service
25 standards will be met;

26 (v) Intergovernmental coordination efforts, including an
27 assessment of the impacts of the transportation plan and land use
28 assumptions on the transportation systems of adjacent jurisdictions;

29 (vi) Demand-management strategies;

30 (vii) Pedestrian and bicycle component to include collaborative
31 efforts to identify and designate planned improvements for pedestrian
32 and bicycle facilities and corridors that address and encourage
33 enhanced community access and promote healthy lifestyles.

34 (b) After adoption of the comprehensive plan by jurisdictions
35 required to plan or who choose to plan under RCW 36.70A.040, local
36 jurisdictions must adopt and enforce ordinances which prohibit
37 development approval if the development causes the level of service
38 on a locally owned transportation facility to decline below the
39 standards adopted in the transportation element of the comprehensive
40 plan, unless transportation improvements or strategies to accommodate

1 the impacts of development are made concurrent with the development.
2 These strategies may include increased public transportation service,
3 ride-sharing programs, demand management, and other transportation
4 systems management strategies. For the purposes of this subsection
5 (6), "concurrent with the development" means that improvements or
6 strategies are in place at the time of development, or that a
7 financial commitment is in place to complete the improvements or
8 strategies within six years. If the collection of impact fees is
9 delayed under RCW 82.02.050(3), the six-year period required by this
10 subsection (6)(b) must begin after full payment of all impact fees is
11 due to the county or city.

12 (c) The transportation element described in this subsection (6),
13 the six-year plans required by RCW 35.77.010 for cities, RCW
14 36.81.121 for counties, and RCW 35.58.2795 for public transportation
15 systems, and the ten-year investment program required by RCW
16 47.05.030 for the state, must be consistent.

17 (7) An economic development element establishing local goals,
18 policies, objectives, and provisions for economic growth and vitality
19 and a high quality of life. A city that has chosen to be a
20 residential community is exempt from the economic development element
21 requirement of this subsection so long as the city's comprehensive
22 plan includes provisions for how residents of any portion of the city
23 in which the city will be required by this section to plan for
24 increased infill density within one-half mile of frequent transit
25 service will have access to shopping for food and health products
26 without reliance on fossil-fueled vehicles.

27 (8) A park and recreation element that implements, and is
28 consistent with, the capital facilities plan element as it relates to
29 park and recreation facilities. The element shall include: (a)
30 Estimates of park and recreation demand for at least a ten-year
31 period; (b) an evaluation of facilities and service needs; and (c) an
32 evaluation of intergovernmental coordination opportunities to provide
33 regional approaches for meeting park and recreational demand.

34 (9) A built environment livability element that ensures that all
35 residential neighborhoods within an urban growth area with a density
36 of over five housing units per acre have tree canopy or green open
37 space to prevent extreme heat islands and to protect and improve the
38 physical and mental health of residents in urban settings. The
39 department shall give particular consideration to the needs of
40 residents in areas with density of 33 or more residential units per

1 acre for tree canopy and open space within one-half mile of their
2 homes. The department shall, in consultation with the department of
3 health and the department of ecology, adopt standards to promote
4 these goals. As part of meeting these goals, jurisdictions must adopt
5 or amend ordinances or development regulations to ensure significant
6 tree preservation or replacement, and that there is no net loss of
7 mature tree canopy as a result of achieving the goals of this
8 element. The built environment livability element shall also include
9 provisions that provide for access to sunlight in residential and
10 school spaces based on the health and learning benefits from natural
11 lighting, and for meeting state and local goals for use of solar
12 energy to meet climate change goals.

13 (10) It is the intent that new or amended elements required after
14 January 1, 2002, be adopted concurrent with the scheduled update
15 provided in RCW 36.70A.130. Requirements to incorporate any such new
16 or amended elements shall be null and void until funds sufficient to
17 cover applicable local government costs are appropriated and
18 distributed by the state at least two years before local government
19 must update comprehensive plans as required in RCW 36.70A.130.

20 NEW SECTION. Sec. 5. The sum of \$25,000,000, or as much thereof
21 as may be necessary, is appropriated for the fiscal year ending June
22 30, 2023, from the general fund to the department of commerce for the
23 purposes of providing grants to cities and counties subject to the
24 requirements of RCW 36.70A.215 for the costs of planning for and
25 implementing new comprehensive plan elements and requirements adopted
26 by the legislature during the 2021-2022 legislative session,
27 including the need to increase net density and to provide for new
28 housing types to meet the needs of all economic segments of the
29 population as required in RCW 36.70A.070 in time for the next
30 comprehensive plan update as required by RCW 36.70A.130.

31 **Sec. 6.** RCW 36.70A.215 and 2017 3rd sp.s. c 16 s 2 are each
32 amended to read as follows:

33 (1) Subject to the limitations in subsection (5) of this section,
34 a county shall adopt, in consultation with its cities, countywide
35 planning policies to establish a review and evaluation program. This
36 program shall be in addition to the requirements of RCW 36.70A.110,
37 36.70A.130, and 36.70A.210. In developing and implementing the review
38 and evaluation program required by this section, the county and its

1 cities shall consider information from other appropriate
2 jurisdictions and sources. The purpose of the review and evaluation
3 program shall be to:

4 (a) Determine whether a county and its cities are achieving urban
5 densities within urban growth areas by comparing growth and
6 development assumptions, targets, and objectives contained in the
7 countywide planning policies and the county and city comprehensive
8 plans with actual growth and development that has occurred in the
9 county and its cities; and

10 (b) Identify reasonable measures, other than adjusting urban
11 growth areas, that will be taken to comply with the requirements of
12 this chapter. Reasonable measures are those actions necessary to
13 reduce the differences between growth and development assumptions and
14 targets contained in the countywide planning policies and the county
15 and city comprehensive plans with actual development patterns. The
16 reasonable measures process in subsection (3) of this section shall
17 be used as part of the next comprehensive plan update to reconcile
18 inconsistencies.

19 (2) The review and evaluation program shall:

20 (a) Encompass land uses and activities both within and outside of
21 urban growth areas and provide for annual collection of data on urban
22 and rural land uses, development, zoning and development standards,
23 environmental regulations including but not limited to critical
24 areas, stormwater, shoreline, and tree retention requirements; and
25 capital facilities to determine the quantity and type of land
26 suitable for development, both for residential and employment-based
27 activities;

28 (b) Provide for evaluation of the data collected under (a) of
29 this subsection as provided in subsection (3) of this section. The
30 evaluation shall be completed no later than three years prior to the
31 deadline for review and, if necessary, update of comprehensive plans
32 and development regulations as required by RCW 36.70A.130. For
33 comprehensive plans required to be updated before 2024, the
34 evaluation as provided in subsection (3) of this section shall be
35 completed no later than two years prior to the deadline for review
36 and, if necessary, update of comprehensive plans. The county and its
37 cities may establish in the countywide planning policies indicators,
38 benchmarks, and other similar criteria to use in conducting the
39 evaluation;

1 (c) Provide for methods to resolve disputes among jurisdictions
2 relating to the countywide planning policies required by this section
3 and procedures to resolve inconsistencies in collection and analysis
4 of data; and

5 (d) Develop reasonable measures to use in reducing the
6 differences between growth and development assumptions and targets
7 contained in the countywide planning policies and county and city
8 comprehensive plans, with the actual development patterns. The
9 reasonable measures shall be adopted, if necessary, into the
10 countywide planning policies and the county or city comprehensive
11 plans and development regulations during the next scheduled update of
12 the plans.

13 (3) At a minimum, the evaluation component of the program
14 required by subsection (1) of this section shall:

15 (a) Determine whether there is sufficient suitable land to
16 accommodate the countywide population projection established for the
17 county pursuant to RCW 43.62.035 and the subsequent population
18 allocations within the county and between the county and its cities
19 and the requirements of RCW 36.70A.110. The zoned capacity of land
20 alone is not a sufficient standard to deem land suitable for
21 development or redevelopment within the twenty-year planning period;

22 (b) An evaluation and identification of land suitable for
23 development or redevelopment shall include:

24 (i) A review and evaluation of the land use designation and
25 zoning/development regulations; environmental regulations (such as
26 tree retention, stormwater, or critical area regulations) impacting
27 development; and other regulations that could prevent assigned
28 densities from being achieved; infrastructure gaps (including but not
29 limited to transportation, water, sewer, and stormwater); and

30 (ii) Use of a reasonable land market supply factor when
31 evaluating land suitable to accommodate new development or
32 redevelopment of land for residential development and employment
33 activities. The reasonable market supply factor identifies reductions
34 in the amount of land suitable for development and redevelopment. The
35 methodology for conducting a reasonable land market factor shall be
36 determined through the guidance developed in RCW 36.70A.217;

37 (c) Provide an analysis of county and/or city development
38 assumptions, targets, and objectives contained in the countywide
39 planning policies and the county and city comprehensive plans when
40 growth targets and assumptions are not being achieved. It is not

1 appropriate to make a finding that assumed growth contained in the
2 countywide planning policies and the county or city comprehensive
3 plan will occur at the end of the current comprehensive planning
4 twenty-year planning cycle without rationale;

5 (d) Determine the actual density of housing that has been
6 constructed and the actual amount of land developed for commercial
7 and industrial uses within the urban growth area since the adoption
8 of a comprehensive plan under this chapter or since the last periodic
9 evaluation as required by subsection (1) of this section; ~~((and))~~

10 (e) Based on the actual density of development as determined
11 under (b) of this subsection, review commercial, industrial, and
12 housing needs by type and density range to determine the amount of
13 land needed for commercial, industrial, and housing for the remaining
14 portion of the twenty-year planning period used in the most recently
15 adopted comprehensive plan; and

16 (f) Examine the existing infrastructure in each geographic area
17 to determine what increase in net density and additional housing
18 types can be supported, and examine how infrastructure can be
19 extended to accommodate additional net density and housing types.

20 (4) From funds appropriated by the legislature for this purpose,
21 the department shall provide grants to counties, cities, and regional
22 planning organizations required under subsection (5) of this section
23 to conduct the review and perform the evaluation required by this
24 section.

25 (5) The provisions of this section shall apply to counties, and
26 the cities within those counties, that were greater than one hundred
27 fifty thousand in population in 1996 as determined by office of
28 financial management population estimates and that are located west
29 of the crest of the Cascade mountain range. Any other county planning
30 under RCW 36.70A.040 may carry out the review, evaluation, and
31 amendment programs and procedures as provided in this section.

32 (6) The requirements of this section are subject to the
33 availability of funds appropriated for this specific purpose. If
34 sufficient funds are not appropriated consistent with the timelines
35 in subsection (2)(b) of this section, counties and cities shall be
36 subject to the review and evaluation program as it existed prior to
37 October 19, 2017.

38 **Sec. 7.** RCW 36.70A.215 and 2011 c 353 s 3 are each amended to
39 read as follows:

1 (1) Subject to the limitations in subsection (7) of this section,
2 a county shall adopt, in consultation with its cities, countywide
3 planning policies to establish a review and evaluation program. This
4 program shall be in addition to the requirements of RCW 36.70A.110,
5 36.70A.130, and 36.70A.210. In developing and implementing the review
6 and evaluation program required by this section, the county and its
7 cities shall consider information from other appropriate
8 jurisdictions and sources. The purpose of the review and evaluation
9 program shall be to:

10 (a) Determine whether a county and its cities are achieving urban
11 densities within urban growth areas by comparing growth and
12 development assumptions, targets, and objectives contained in the
13 countywide planning policies and the county and city comprehensive
14 plans with actual growth and development that has occurred in the
15 county and its cities; and

16 (b) Identify reasonable measures, other than adjusting urban
17 growth areas, that will be taken to comply with the requirements of
18 this chapter.

19 (2) The review and evaluation program shall:

20 (a) Encompass land uses and activities both within and outside of
21 urban growth areas and provide for annual collection of data on urban
22 and rural land uses, development, critical areas, and capital
23 facilities to the extent necessary to determine the quantity and type
24 of land suitable for development, both for residential and
25 employment-based activities;

26 (b) Provide for evaluation of the data collected under (a) of
27 this subsection as provided in subsection (3) of this section. The
28 evaluation shall be completed no later than one year prior to the
29 deadline for review and, if necessary, update of comprehensive plans
30 and development regulations as required by RCW 36.70A.130. The county
31 and its cities may establish in the countywide planning policies
32 indicators, benchmarks, and other similar criteria to use in
33 conducting the evaluation;

34 (c) Provide for methods to resolve disputes among jurisdictions
35 relating to the countywide planning policies required by this section
36 and procedures to resolve inconsistencies in collection and analysis
37 of data; and

38 (d) Provide for the amendment of the countywide policies and
39 county and city comprehensive plans as needed to remedy an
40 inconsistency identified through the evaluation required by this

1 section, or to bring these policies into compliance with the
2 requirements of this chapter.

3 (3) At a minimum, the evaluation component of the program
4 required by subsection (1) of this section shall:

5 (a) Determine whether there is sufficient suitable land to
6 accommodate the countywide population projection established for the
7 county pursuant to RCW 43.62.035 and the subsequent population
8 allocations within the county and between the county and its cities
9 and the requirements of RCW 36.70A.110;

10 (b) Determine the actual density of housing that has been
11 constructed and the actual amount of land developed for commercial
12 and industrial uses within the urban growth area since the adoption
13 of a comprehensive plan under this chapter or since the last periodic
14 evaluation as required by subsection (1) of this section; ~~((and))~~

15 (c) Based on the actual density of development as determined
16 under (b) of this subsection, review commercial, industrial, and
17 housing needs by type and density range to determine the amount of
18 land needed for commercial, industrial, and housing for the remaining
19 portion of the twenty-year planning period used in the most recently
20 adopted comprehensive plan; and

21 (d) Examine the existing infrastructure in each geographic area
22 to determine what increase in net density and additional housing
23 types can be supported, and examine how infrastructure can be
24 extended to accommodate additional net density and housing types.

25 (4) If the evaluation required by subsection (3) of this section
26 demonstrates an inconsistency between what has occurred since the
27 adoption of the countywide planning policies and the county and city
28 comprehensive plans and development regulations and what was
29 envisioned in those policies and plans and the planning goals and the
30 requirements of this chapter, as the inconsistency relates to the
31 evaluation factors specified in subsection (3) of this section, the
32 county and its cities shall adopt and implement measures that are
33 reasonably likely to increase consistency during the subsequent five-
34 year period. If necessary, a county, in consultation with its cities
35 as required by RCW 36.70A.210, shall adopt amendments to countywide
36 planning policies to increase consistency. The county and its cities
37 shall annually monitor the measures adopted under this subsection to
38 determine their effect and may revise or rescind them as appropriate.

39 (5) (a) Not later than July 1, 1998, the department shall prepare
40 a list of methods used by counties and cities in carrying out the

1 types of activities required by this section. The department shall
2 provide this information and appropriate technical assistance to
3 counties and cities required to or choosing to comply with the
4 provisions of this section.

5 (b) By December 31, 2007, the department shall submit to the
6 appropriate committees of the legislature a report analyzing the
7 effectiveness of the activities described in this section in
8 achieving the goals envisioned by the countywide planning policies
9 and the comprehensive plans and development regulations of the
10 counties and cities.

11 (6) From funds appropriated by the legislature for this purpose,
12 the department shall provide grants to counties, cities, and regional
13 planning organizations required under subsection (7) of this section
14 to conduct the review and perform the evaluation required by this
15 section.

16 (7) The provisions of this section shall apply to counties, and
17 the cities within those counties, that were greater than one hundred
18 fifty thousand in population in 1995 as determined by office of
19 financial management population estimates and that are located west
20 of the crest of the Cascade mountain range. Any other county planning
21 under RCW 36.70A.040 may carry out the review, evaluation, and
22 amendment programs and procedures as provided in this section.

23 NEW SECTION. **Sec. 8.** The legislature finds that restrictive
24 covenants and agreements have historically been used to exclude
25 people from communities based on their race, ethnicity, or religion.
26 Even when this was not the intent, these restrictive covenants and
27 agreements have resulted in discriminatory outcomes. In order to
28 remove these barriers, and to promote more equitable and sustainable
29 housing options, the legislature finds that it is necessary to apply
30 policies that promote affordable, inclusive housing options in areas
31 governed by restrictive covenants and agreements. Therefore, it is
32 the intent of the legislature that the policies in RCW 36.70A.070
33 providing for increased housing options apply throughout the state,
34 notwithstanding restrictive covenants and agreements to the contrary.

35 NEW SECTION. **Sec. 9.** A new section is added to chapter 64.38
36 RCW to read as follows:

37 (1) The governing documents of an association located within a
38 city may not prohibit the construction, development, or use on a lot

1 or lots of a type of housing that the city would be required to allow
2 under RCW 36.70A.070(2)(b) based on the population of the city, the
3 location of the lot or lots, and the size of the lot or lots.

4 (2) A provision in a governing document in effect on July 1,
5 2023, or thereafter that is inconsistent with this section is void
6 and unenforceable.

7 NEW SECTION. **Sec. 10.** A new section is added to chapter 36.70A
8 RCW to read as follows:

9 (1) Restrictive covenants and deed restrictions within a city may
10 not prohibit the construction, development, or use on a lot or lots
11 of a type of housing that the city would be required to allow under
12 RCW 36.70A.070(2)(b) based on the population of the city, the
13 location of the lot or lots, and the size of the lot or lots.

14 (2) This section applies retroactively to all restrictive
15 covenants or deed restrictions in effect on July 1, 2022. Any
16 provision in a restrictive covenant or deed restrictions in effect on
17 or after July 1, 2022, that is inconsistent with subsection (1) of
18 this section is unenforceable to the extent of the conflict.

19 NEW SECTION. **Sec. 11.** A new section is added to chapter 64.90
20 RCW to read as follows:

21 (1) Neither the declaration nor the governing documents of a
22 common interest community located within a city may prohibit the
23 construction, development, or use on a lot or lots of a type of
24 housing that the city would be required to allow under RCW
25 36.70A.070(2)(b) based on the population of the city, the location of
26 the lot or lots, and the size of the lot or lots.

27 (2) A provision in a declaration or governing document in effect
28 on July 1, 2023, or thereafter that is inconsistent with this section
29 is void and unenforceable.

30 **Sec. 12.** RCW 58.17.030 and 1974 ex.s. c 134 s 1 are each amended
31 to read as follows:

32 Every subdivision shall comply with the provisions of this
33 chapter. Every short subdivision as defined in this chapter shall
34 comply with the provisions of any local regulation adopted pursuant
35 to RCW 58.17.060 and with the provisions of RCW 36.70A.070(2)(h).

1 **Sec. 13.** RCW 84.55.005 and 2014 c 97 s 316 are each amended to
2 read as follows:

3 The definitions in this section apply throughout this chapter
4 unless the context clearly requires otherwise.

5 (1) ~~"Inflation" means the ((percentage change in the implicit~~
6 ~~price deflator for personal consumption expenditures for the United~~
7 ~~States as published for the most recent twelve-month period by the~~
8 ~~bureau of economic analysis of the federal department of commerce by~~
9 ~~September 25th of the year before the taxes are payable;~~

10 ~~(2) "Limit factor" means:~~

11 ~~(a) For taxing districts with a population of less than ten~~
12 ~~thousand in the calendar year prior to the assessment year, one~~
13 ~~hundred one percent;~~

14 ~~(b) For taxing districts for which a limit factor is authorized~~
15 ~~under RCW 84.55.0101, the lesser of the limit factor authorized under~~
16 ~~that section or one hundred one percent;~~

17 ~~(c) For all other districts, the lesser of one hundred one~~
18 ~~percent or one hundred percent plus inflation; and~~

19 ~~(3)) annual percentage increase in the consumer price index for~~
20 ~~all urban consumers in the western region for all items as provided~~
21 ~~for the most recent 12-month period by the bureau of labor statistics~~
22 ~~of the United States department of labor by July 25th of the year~~
23 ~~before the taxes are payable.~~

24 (2) "Limit factor" means 100 percent plus population change and
25 inflation, but not to exceed 103 percent.

26 (3) (a) (i) "Population change" means the percent increase in
27 population of a taxing district between the two most recent years
28 provided in the official population estimates published by the office
29 of financial management in April of the year before the taxes are
30 payable. If the office of financial management estimates a net
31 decrease in a taxing district's population, for the purposes of this
32 section, the population change will be zero. The population of a
33 county taxing district means the population within the county's
34 incorporated and unincorporated areas.

35 (ii) For taxing districts that are not coterminous with one or
36 more cities, towns, counties, or unincorporated county areas, or any
37 combination thereof, as provided in the official population estimates
38 published by the office of financial management in April of the year
39 before the taxes are payable, "population change" means:

1 (A) The city population change for the city in which the taxing
2 district is wholly located;

3 (B) The population change for the county in which the taxing
4 district is wholly located; or

5 (C) For districts located in more than one county, the county
6 population change for the county in which the greatest total taxable
7 assessed value of the taxing district for the prior assessment year
8 is located.

9 (b) For the purposes of this subsection (3), the annual percent
10 increase in population is calculated to the nearest tenth of one
11 percent, rounding up to the next tenth of one percent if the second
12 decimal place of the annual percent increase is five or greater.

13 (4) "Regular property taxes" has the meaning given it in RCW
14 84.04.140.

15 **Sec. 14.** RCW 84.55.010 and 2021 c 207 s 10 are each amended to
16 read as follows:

17 (1) Except as provided in this chapter, the levy for a taxing
18 district in any year must be set so that the regular property taxes
19 payable in the following year do not exceed the limit factor
20 multiplied by the amount of regular property taxes lawfully levied
21 for such district in the highest of the three most recent years in
22 which such taxes were levied for such district, excluding any
23 increase due to (e) of this subsection, unless the highest levy was
24 the statutory maximum rate amount, plus an additional dollar amount
25 calculated by multiplying the regular property tax levy rate of that
26 district for the preceding year by the increase in assessed value in
27 that district resulting from:

28 (a) New construction;

29 (b) Increases in assessed value due to construction of wind
30 turbine, solar, biomass, and geothermal facilities, if such
31 facilities generate electricity and the property is not included
32 elsewhere under this section for purposes of providing an additional
33 dollar amount. The property may be classified as real or personal
34 property;

35 (c) Improvements to property;

36 (d) Any increase in the assessed value of state-assessed
37 property; and

38 (e) Any increase in the assessed value of real property, as that
39 term is defined in RCW 39.114.010, within an increment area as

1 designated by any local government in RCW 39.114.020 provided that
2 such increase is not included elsewhere under this section. This
3 subsection (1)(e) does not apply to levies by the state or by port
4 districts and public utility districts for the purpose of making
5 required payments of principal and interest on general indebtedness.

6 (2) The requirements of this section do not apply to:

7 (a) State property taxes levied under RCW 84.52.065(1) for
8 collection in calendar years 2019 through 2021; and

9 (b) State property taxes levied under RCW 84.52.065(2) for
10 collection in calendar years 2018 through 2021.

11 (3) If the limit factor used is greater than 101 percent, the
12 entirety of the difference in revenue between the limit factor used
13 and a limit factor of 101 percent must be used to:

14 (a) Meet planning requirements under chapter 36.70A RCW;

15 (b) Provide infrastructure including, but not limited to,
16 stormwater, sewer, water, fire, schools, rapid transit, improvements
17 in pedestrian and nonvehicular safety, and parks, where a lack of
18 such infrastructure prevents increasing residential density through
19 infill; or

20 (c) Increase resiliency to climate change, including by reducing
21 or preventing heat islands.

22 **Sec. 15.** RCW 84.55.092 and 2017 3rd sp.s. c 13 s 309 are each
23 amended to read as follows:

24 (1) The regular property tax levy for each taxing district other
25 than the state's levies may be set at the amount which would be
26 allowed otherwise under this chapter if the regular property tax levy
27 for the district for taxes due in prior years beginning with 1986 had
28 been set at the full amount allowed under this chapter, excluding any
29 amount that would be required to be used for purposes specified in
30 RCW 84.55.010(3), but including any levy authorized under RCW
31 52.16.160 or 52.26.140(1)(c) that would have been imposed but for the
32 limitation in RCW 52.18.065 or 52.26.240, applicable upon imposition
33 of the benefit charge under chapter 52.18 or 52.26 RCW.

34 (2) The purpose of subsection (1) of this section is to remove
35 the incentive for a taxing district to maintain its tax levy at the
36 maximum level permitted under this chapter, and to protect the future
37 levy capacity of a taxing district that reduces its tax levy below
38 the level that it otherwise could impose under this chapter, by

1 removing the adverse consequences to future levy capacities resulting
2 from such levy reductions.

3 (3) Subsection (1) of this section does not apply to any portion
4 of a city or town's regular property tax levy that has been reduced
5 as part of the formation of a fire protection district under RCW
6 52.02.160.

7 NEW SECTION. **Sec. 16.** Sections 12 and 13 of this act apply to
8 taxes levied for collection in 2023 and thereafter.

9 NEW SECTION. **Sec. 17.** The legislature finds that the revenue
10 projected to be generated with the real estate excise tax provided
11 for in section 18 of this act and distributed through the local
12 government planning support account in section 19 of this act is
13 adequate to meet the projected costs of cities and counties
14 developing and adopting new comprehensive plan elements adopted by
15 the legislature in 2021 and 2022 into comprehensive plans in the
16 upcoming comprehensive plan development cycle. These new elements to
17 be adopted include chapter 254, Laws of 2021, and other new
18 requirements relating to housing, climate change, and salmon
19 recovery. The legislature also intends this revenue to provide
20 ongoing funding for the department of commerce to provide consulting
21 technical assistance for local governments for purposes of planning,
22 the development ordinances, and other assistance pursuant to RCW
23 36.70A.190.

24 NEW SECTION. **Sec. 18.** A new section is added to chapter 82.45
25 RCW to read as follows:

26 (1) There is imposed an additional excise tax upon each sale of
27 real property. The rate of tax imposed is as follows:

28 (a) Zero percent is imposed on the portion of the selling price
29 that is less than or equal to \$500,000;

30 (b) Three one-hundredths of one percent of the portion of the
31 selling price that is greater than \$500,000 and equal to or less than
32 \$1,500,000;

33 (c) Eight one-hundredths of one percent of the portion of the
34 selling price that is greater than \$1,500,000 and equal to or less
35 than \$3,000,000;

36 (d) Eleven one-hundredths of one percent of the portion of the
37 selling price that is greater than \$3,000,000.

1 (2) Beginning July 1, 2027, and every fourth year thereafter:

2 (a) The department must adjust the selling price threshold in
3 subsection (1)(a) of this section to reflect the lesser of the growth
4 of the consumer price index for shelter or five percent. If the
5 growth is equal to or less than zero percent, the current selling
6 price threshold continues to apply.

7 (b) The department must adjust the selling price thresholds in
8 subsection (1)(b) through (d) of this section by the dollar amount of
9 any increase in the selling price threshold in subsection (1)(a) of
10 this section.

11 (c) The department must publish updated selling price thresholds
12 by September 1, 2027, and September 1st of every fourth year
13 thereafter. Updated selling price thresholds will apply beginning
14 January 1, 2028, and January 1st every fourth year thereafter.
15 Adjusted selling price thresholds must be rounded to the nearest
16 \$1,000. No changes may be made to adjusted selling price thresholds
17 once such adjustments take effect.

18 (d) The most recent selling price threshold becomes the base for
19 subsequent adjustments.

20 (e) The department must report adjustments to the selling price
21 thresholds to the fiscal committees of the legislature, beginning
22 December 1, 2027, and December 1st every fourth year thereafter.

23 (3)(a) The department must publish guidance to assist sellers in
24 properly classifying real property on the real estate excise tax
25 affidavit for purposes of determining the proper amount of tax due
26 under this section. Real property with multiple uses must be
27 classified according to the property's predominant use. The
28 department's guidance must include factors for use in determining the
29 predominant use of real property.

30 (b) County treasurers are not responsible for verifying that the
31 seller has properly classified real property reported on a real
32 estate excise tax affidavit. The department is solely responsible for
33 such verification as part of its audit responsibilities under RCW
34 82.45.150.

35 (4) Amounts collected from the tax imposed under this section
36 must be deposited into the local government planning support account
37 as provided for in section 19 of this act.

38 (5) The definitions in this subsection apply throughout this
39 section unless the context clearly requires otherwise.

1 (a) "Consumer price index for shelter" means the most current
2 seasonally adjusted index for the shelter expenditure category of the
3 consumer price index for all urban consumers as published by July
4 31st by the bureau of labor statistics of the United States
5 department of labor.

6 (b) "Growth of the consumer price index for shelter" means the
7 percentage increase in the consumer price index for shelter as
8 measured from data published by the bureau of labor statistics of the
9 United States department of labor by July 31st for the most recent
10 three-year period for the selling price threshold adjustment in 2022,
11 and the most recent four-year period for subsequent selling price
12 threshold adjustments.

13 NEW SECTION. **Sec. 19.** A new section is added to chapter 43.330
14 RCW to read as follows:

15 (1) The local government planning support account is created in
16 the custody of the state treasury. All receipts from the real estate
17 excise tax imposed under section 18 of this act must be deposited
18 into the account. Only the department or the department's designee
19 may authorize expenditures from the account.

20 (2) Expenditures from the account must be made as follows:

21 (a) The funds shall be first used to provide grants to
22 jurisdictions to implement required comprehensive plan updates. This
23 distribution shall be based on a study to be completed by the
24 department no later than December 1, 2022. Funds shall be distributed
25 based on the results of this study to ensure that each jurisdiction
26 that is required to update plans in the next comprehensive planning
27 cycle shall have adequate funding in the form of grants distributed
28 by the department to:

29 (i) Develop elements of comprehensive plans, including any
30 studies necessary to determine the housing needs of each economic
31 segment of the population and any new elements of plans mandated by
32 the legislature for the upcoming plan update; and

33 (ii) Update development regulations to implement new elements of
34 comprehensive plans required by the legislature since the last plan
35 update.

36 (b) Any funds deposited in the account and not distributed to
37 local governments shall be used by the department for the purpose of:

38 (i) Providing staff, planners, and development regulation
39 specialists to assist cities and counties in conducting planning, the

1 preparation of development ordinances, regulations, and policies
2 consistent with chapter 36.70A RCW, or for providing support for
3 local governments in processing complex permits consistent with such
4 ordinances, regulations, and policies;

5 (ii) Developing model ordinances and providing mediation
6 services, including assisting federally recognized Indian tribes and
7 local governments to work cooperatively in planning; and

8 (iii) Contracting with a nonprofit agency as provided for in RCW
9 36.70A.190.

10 NEW SECTION. **Sec. 20.** A new section is added to chapter 82.46
11 RCW to read as follows:

12 (1)(a) Subject to subsection (2) of this section, the legislative
13 authority of any county may impose an additional excise tax on each
14 sale of any class of real property in the county at a rate, or at
15 graduated rates, as determined by the county legislative authority,
16 provided that the maximum rate does not to exceed one-quarter of one
17 percent of the selling price. The proceeds of the tax shall be used
18 exclusively for comprehensive planning and updating ordinances and
19 development regulations as required by chapter 36.70A RCW, for the
20 processing of building permits, or for incentives for affordable
21 housing through waiver of permit fees.

22 (b) For the purpose of this section, "affordable housing" has the
23 same meaning as in RCW 36.70A.030.

24 (2)(a) The tax authorized in subsection (1) of this section may
25 only be imposed on sales of residential real property that exceed the
26 median residential unit housing price within the county.

27 (b) For the purposes of this section, the "median residential
28 unit housing price" means the median home price of the most recent
29 year that information is available through the county assessor's
30 office.

31 (3) The taxes imposed under this section shall be imposed in the
32 same manner and on the same occurrences, and are subject to the same
33 conditions, as the taxes under chapter 82.45 RCW, except that the tax
34 shall be the obligation of both the purchaser and the seller, as
35 apportioned by the county legislative authority, with at least one-
36 half of the obligation being that of the purchaser. The county may
37 enforce the obligation through an action of debt against the
38 purchaser or seller or may foreclose the lien on the property in the
39 same manner prescribed for the foreclosure of mortgages. The

1 imposition of the tax is effective 30 days after the election at
2 which the tax is authorized.

3 NEW SECTION. **Sec. 21.** RCW 84.55.0101 (Limit factor—
4 Authorization for taxing district to use one hundred one percent or
5 less—Ordinance or resolution) and 2007 sp.s. c 1 s 2 & 1997 c 3 s 204
6 are each repealed.

7 NEW SECTION. **Sec. 22.** Section 6 of this act expires January 1,
8 2030.

9 NEW SECTION. **Sec. 23.** Section 7 of this act takes effect
10 January 1, 2030.

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