SENATE BILL 5685

State of Washington 67th Legislature 2022 Regular Session

By Senators Fortunato and Padden

Prefiled 01/05/22. Read first time 01/10/22. Referred to Committee on Housing & Local Government.

- 1 AN ACT Relating to urban growth area boundaries; reenacting and 2 amending RCW 36.70A.130; and creating a new section.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- Sec. 1. Between 2010 and 2015, it is estimated 4 NEW SECTION. state fell behind on housing production 5 Washington 6 approximately 225,000 units. The situation has not improved since. As 7 a result, rents are spiraling out of control across the state. Simultaneously, the cost of building has been skyrocketing. It is 8 also estimated that every \$1,000 increase in building new homes 9 10 prices 2,500 people out of the market. According to the United States 11 department of housing and urban development, Washington state 12 experienced a 6.2 percent increase in homelessness between 2019 and 13 2020. Thirty out of every 10,000 people in the state were considered 14 homeless. The legislature finds that it is compelling to resolve this 15 situation and house its citizens. One of the most significant costs 16 in building new homes is the cost of land. It is well accepted that a 17 lack of supply increases demand and increases costs. Land use 18 planning policies over the last 30 years have led to a shortage of 19 land supply because of fixed boundaries and an inflexible land supply 20 in urban growth areas. By removing any flexibility in supplying land, 21 these land use policies have significantly contributed to a decrease

p. 1 SB 5685

- 1 in land supply and thereby an increase in housing costs. The $\,$
- 2 legislature finds that, in order to increase housing supply and lower
- 3 housing costs, it is important to restore flexibility to local
- 4 jurisdictions' ability to manage the availability of land within the
- 5 urban growth area.

- **Sec. 2.** RCW 36.70A.130 and 2020 c 113 s 1 and 2020 c 20 s 1026 7 are each reenacted and amended to read as follows:
 - (1) (a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section.
 - (b) Except as otherwise provided, a county or city not planning under RCW 36.70A.040 shall take action to review and, if needed, revise its policies and development regulations regarding critical areas and natural resource lands adopted according to this chapter to ensure these policies and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section. Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.
 - (c) The review and evaluation required by this subsection shall include, but is not limited to, consideration of critical area ordinances and, if planning under RCW 36.70A.040, an analysis of the population allocated to a city or county from the most recent tenyear population forecast by the office of financial management.
 - (d) Any amendment of or revision to a comprehensive land use plan shall conform to this chapter. Any amendment of or revision to development regulations shall be consistent with and implement the comprehensive plan.
 - (2)(a) Each county and city shall establish and broadly disseminate to the public a public participation program consistent with RCW 36.70A.035 and 36.70A.140 that identifies procedures and schedules whereby updates, proposed amendments, or revisions of the

p. 2 SB 5685

comprehensive plan are considered by the governing body of the county or city no more frequently than once every year. "Updates" means to review and revise, if needed, according to subsection (1) of this section, and the deadlines in subsections (4) and (5) of this section or in accordance with the provisions of subsection (6) of this section. Amendments may be considered more frequently than once per year under the following circumstances:

- (i) The initial adoption of a subarea plan. Subarea plans adopted under this subsection (2)(a)(i) must clarify, supplement, or implement jurisdiction-wide comprehensive plan policies, and may only be adopted if the cumulative impacts of the proposed plan are addressed by appropriate environmental review under chapter 43.21C RCW;
- (ii) The development of an initial subarea plan for economic development located outside of the one hundred year floodplain in a county that has completed a state-funded pilot project that is based on watershed characterization and local habitat assessment;
- (iii) The adoption or amendment of a shoreline master program under the procedures set forth in chapter 90.58 RCW;
- (iv) The amendment of the capital facilities element of a comprehensive plan that occurs concurrently with the adoption or amendment of a county or city budget; or
- (v) The adoption of comprehensive plan amendments necessary to enact a planned action under RCW 43.21C.440, provided that amendments are considered in accordance with the public participation program established by the county or city under this subsection (2)(a) and all persons who have requested notice of a comprehensive plan update are given notice of the amendments and an opportunity to comment.
- (b) Except as otherwise provided in (a) of this subsection, all proposals shall be considered by the governing body concurrently so the cumulative effect of the various proposals can be ascertained. However, after appropriate public participation a county or city may adopt amendments or revisions to its comprehensive plan that conform with this chapter whenever an emergency exists or to resolve an appeal of a comprehensive plan filed with the growth management hearings board or with the court.
- (3)(a) Each county that designates urban growth areas under RCW 36.70A.110 shall review, according to the schedules established in subsections (4) and (5) of this section, its designated urban growth area or areas, and the densities permitted within both the

p. 3 SB 5685

- incorporated and unincorporated portions of each urban growth area. 1
- In conjunction with this review by the county, each city located 2
- within an urban growth area shall review the densities permitted 3
- within its boundaries, and the extent to which the urban growth 4
- occurring within the county has located within each city and the 5
- 6 unincorporated portions of the urban growth areas.
- (b) The county comprehensive plan designating urban growth areas, 7 and the densities permitted in the urban growth areas by the 8 comprehensive plans of the county and each city located within the 9 urban growth areas, shall be revised to accommodate the urban growth
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- 11 projected to occur in the county for the succeeding twenty-year
- period. The review required by this subsection may be combined with 12
- the review and evaluation required by RCW 36.70A.215. 13
- 14 (c) Within three years from July 1, 2022, counties must evaluate
- the location of the urban growth area boundary and must expand and 15
- 16 adjust the urban growth area to be large enough to contain sufficient
- 17 land suitable for building housing sufficient to alleviate any
- housing shortage within that county. The county may continue to 18
- expand the urban growth area every three years until the urban growth 19
- area is appropriately sized to accommodate adequate amounts of 20
- 21 necessary housing.
- (4) Except as otherwise provided in subsections (6) and (8) of 22 this section, counties and cities shall take action to review and, if 23 needed, revise their comprehensive plans and development regulations 24 25 to ensure the plan and regulations comply with the requirements of
- 26 this chapter as follows:
- (a) On or before June 30, 2015, for King, Pierce, and Snohomish 27 counties and the cities within those counties; 28
- (b) On or before June 30, 2016, for Clallam, Clark, Island, 29 Jefferson, Kitsap, Mason, San Juan, Skagit, Thurston, and Whatcom 30 31 counties and the cities within those counties;
- 32 (c) On or before June 30, 2017, for Benton, Chelan, Cowlitz, Douglas, Kittitas, Lewis, Skamania, Spokane, and Yakima counties and 33 the cities within those counties; and 34
- (d) On or before June 30, 2018, for Adams, Asotin, Columbia, 35 Ferry, Franklin, Garfield, Grant, Grays Harbor, Klickitat, Lincoln, 36 Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and 37 Whitman counties and the cities within those counties. 38
- (5) Except as otherwise provided in subsections (6) and (8) of 39 40 this section, following the review of comprehensive plans and

p. 4 SB 5685 development regulations required by subsection (4) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

- (a) On or before June 30, 2024, and every eight years thereafter, for King, Kitsap, Pierce, and Snohomish counties and the cities within those counties;
- 9 (b) On or before June 30, 2025, and every eight years thereafter, 10 for Clallam, Clark, Island, Jefferson, Lewis, Mason, San Juan, 11 Skagit, Thurston, and Whatcom counties and the cities within those 12 counties;
 - (c) On or before June 30, 2026, and every eight years thereafter, for Benton, Chelan, Cowlitz, Douglas, Franklin, Kittitas, Skamania, Spokane, Walla Walla, and Yakima counties and the cities within those counties; and
 - (d) On or before June 30, 2027, and every eight years thereafter, for Adams, Asotin, Columbia, Ferry, Garfield, Grant, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, and Whitman counties and the cities within those counties.
 - (6)(a) Nothing in this section precludes a county or city from conducting the review and evaluation required by this section before the deadlines established in subsections (4) and (5) of this section. Counties and cities may begin this process early and may be eligible for grants from the department, subject to available funding, if they elect to do so.
 - (b) A county that is subject to a deadline established in subsection (5)(((a)(ii) through (iv) [(b) through (d)])) (b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the twenty-four months following the deadline established in subsection (5) of this section: The county has a population of less than fifty thousand and has had its population increase by no more than seventeen percent in the ten years preceding the deadline established in subsection (5) of this section as of that date.
 - (c) A city that is subject to a deadline established in subsection (5)(((a)(ii) through (iv) [(b) through (d)])) (b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the twenty-four months following the deadline established in subsection (5) of this

p. 5 SB 5685

section: The city has a population of no more than five thousand and has had its population increase by the greater of either no more than one hundred persons or no more than seventeen percent in the ten years preceding the deadline established in subsection (5) of this section as of that date.

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- (d) State agencies are encouraged to provide technical assistance to the counties and cities in the review of critical area ordinances, comprehensive plans, and development regulations.
- (7) (a) The requirements imposed on counties and cities under this section shall be considered "requirements of this chapter" under the terms of RCW 36.70A.040(1). Only those counties and cities that meet the following criteria may receive grants, loans, pledges, or financial guarantees under chapter 43.155 or 70A.135 RCW:
 - (i) Complying with the deadlines in this section; or
- (ii) Demonstrating substantial progress towards compliance with the schedules in this section for development regulations that protect critical areas.
- (b) A county or city that is fewer than twelve months out of compliance with the schedules in this section for development regulations that protect critical areas is making substantial progress towards compliance. Only those counties and cities in compliance with the schedules in this section may receive preference for grants or loans subject to the provisions of RCW 43.17.250.
- (8) (a) Except as otherwise provided in (c) of this subsection, if a participating watershed is achieving benchmarks and goals for the protection of critical areas functions and values, the county is not required to update development regulations to protect critical areas as they specifically apply to agricultural activities in that watershed.
- 30 (b) A county that has made the election under RCW 36.70A.710(1) 31 may only adopt or amend development regulations to protect critical 32 areas as they specifically apply to agricultural activities in a 33 participating watershed if:
 - (i) A work plan has been approved for that watershed in accordance with RCW 36.70A.725;
- (ii) The local watershed group for that watershed has requested the county to adopt or amend development regulations as part of a work plan developed under RCW 36.70A.720;

p. 6 SB 5685

(iii) The adoption or amendment of the development regulations is necessary to enable the county to respond to an order of the growth management hearings board or court;

- (iv) The adoption or amendment of development regulations is necessary to address a threat to human health or safety; or
- (v) Three or more years have elapsed since the receipt of funding.
- (c) Beginning ten years from the date of receipt of funding, a county that has made the election under RCW 36.70A.710(1) must review and, if necessary, revise development regulations to protect critical areas as they specifically apply to agricultural activities in a participating watershed in accordance with the review and revision requirements and timeline in subsection (5) of this section. This subsection (8)(c) does not apply to a participating watershed that has determined under RCW 36.70A.720(2)(c)(ii) that the watershed's goals and benchmarks for protection have been met.

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p. 7 SB 5685