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**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1167**

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**State of Washington 68th Legislature 2023 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Duerr, Low, Walen, Reed, Bateman, Ramel, Fitzgibbon, Taylor, Macri, Gregerson, Wylie, Pollet, Kloba, and Tharinger)

AN ACT Relating to residential housing regulations; amending RCW 36.70B.020 and 36.70B.120; adding new sections to chapter 36.70A RCW; adding a new section to chapter 19.27 RCW; and creating new sections.

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

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

(1) The department shall develop and administer a grant program to provide direct financial assistance to counties and cities for the adoption of preapproved accessory dwelling unit plans.

(2) When a preapproved plan is submitted to a county or city during the process of seeking permit approval for the development of an accessory dwelling unit, the county's or city's review of the preapproved plan may not be more than administrative.

(3) For the purpose of this section, "preapproved accessory dwelling unit plans" means a selection of architectural plans for accessory dwelling units that have been reviewed by county or city code officials and approved for compliance with applicable building codes within the county or city.

NEW SECTION. **Sec.**  A new section is added to chapter 19.27 RCW to read as follows:

(1)(a) The state building code council shall convene a work group for the purpose of simplifying the production of middle housing by recommending a mechanism in the international residential code that adopts by reference the provisions for multiplex housing in the international building code. The mechanism must include those sections from the international building code necessary to ensure public health, safety, and general welfare in multiplex housing, and may not reduce any requirements for multiplex housing contained in the international building code.

(b) The work group shall provide its recommendations to the council in time for the council to adopt or amend rules or codes as necessary for implementation in the 2024 international residential code. The council shall take action to adopt additions and amendments to rules or codes as necessary to apply the new reference mechanism in the international residential code to multiplex housing by July 1, 2026.

(c) For purposes of this subsection, "multiplex housing" means a building with at least three but no more than six dwelling units in a single structure with common walls and floors and a functional primary street entrance, with no more than three stories above grade plane.

(2)(a) The state building code council shall convene a work group for the purpose of recommending modifications and limitations to the international building code that would allow a single exit stairway to serve multifamily residential structures up to six stories above grade plane. The recommendations must include considerations for water supply, the presence of a professional fire department, and any other provisions necessary to ensure public health, safety, and general welfare.

(b) The work group shall provide its recommendations to the council in time for the council to adopt or amend rules or codes as necessary for implementation in the 2024 international building code. The council shall take action to adopt additions and amendments to rules or codes as necessary by July 1, 2026.

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

(1) Cities planning under RCW 36.70A.040 must adopt or amend by ordinance and incorporate into their development regulations, zoning regulations, and other official controls the requirements of subsection (3) of this section, to take effect six months after the jurisdiction's next periodic comprehensive plan update required under RCW 36.70A.130, within urban growth areas designated according to RCW 36.70A.110.

(2) The requirements of subsection (3) of this section:

(a) Apply and take effect in any city that has not adopted or amended ordinances, regulations, or other official controls as required under this section; and

(b) Supersede, preempt, and invalidate any local development regulations that conflict with this section.

(3) Within residential zones that allow for middle housing, cities shall not require through development regulations any standards for middle housing that are more restrictive than those required for detached single-family residences, unless otherwise required by state law including, but not limited to, shoreline regulations under chapter 90.58 RCW, building codes under chapter 19.27 RCW, energy codes under chapter 19.27A RCW, electrical codes under chapter 19.28 RCW, or critical areas protection, but may apply any objective development regulations that are required for detached single-family residences, including setback and tree canopy and retention requirements.

(4) Beginning July 1, 2026, cities may not require more than a single stairway in residential buildings of six or fewer stories if the conditions in the international building code are met.

(5) For the purposes of this section:

(a) "Cottage housing" means residential units on a lot with a common open space that either: (i) Is owned in common; or (ii) has units owned as condominium units with property owned in common and a minimum of 20 percent of the lot size as open space.

(b) "Courtyard apartments" means up to four attached dwelling units arranged on two or three sides of a yard or court.

(c) "Middle housing" means buildings that are compatible in scale, form, and character with single-family homes and contain two or more attached, stacked, or clustered homes, duplexes, triplexes, fourplexes, fiveplexes, sixplexes, cottage housing, stacked flats, townhouses, or courtyard apartments.

(d) "Stacked flat" means dwelling units in a residential building of no more than three stories on a residential zoned lot in which each floor may be separately rented or owned.

(e) "Townhouses" means buildings that contain three or more attached single-family dwelling units that extend from foundation to roof and that have a yard or public way on not less than two sides.

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

All cities and counties may adopt development regulations that create a simple, low cost, expedited permit process for development of single-family, duplex, triplex, or accessory dwelling housing units with less than 1,801 square feet per unit for property situated within cities or urban growth areas in locations designated for residential housing. This process should make it easy for an applicant to submit and receive approval for all permits required to build housing units. The expedited process should lower costs and simplify the building of housing units tailored to be priced for extremely low-income, low-income, or moderate-income households.

**Sec.**  RCW 36.70B.020 and 1995 c 347 s 402 are each amended to read as follows:

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

(1) "Closed record appeal" means an administrative appeal on the record to a local government body or officer, including the legislative body, following an open record hearing on a project permit application when the appeal is on the record with no or limited new evidence or information allowed to be submitted and only appeal argument allowed.

(2) "Local government" means a county, city, or town.

(3) "Open record hearing" means a hearing, conducted by a single hearing body or officer authorized by the local government to conduct such hearings, that creates the local government's record through testimony and submission of evidence and information, under procedures prescribed by the local government by ordinance or resolution. An open record hearing may be held prior to a local government's decision on a project permit to be known as an "open record predecision hearing." An open record hearing may be held on an appeal, to be known as an "open record appeal hearing," if no open record predecision hearing has been held on the project permit.

(4) "Project permit" or "project permit application" means any land use or environmental permit or license required from a local government for a project action, including but not limited to building permits, subdivisions, binding site plans, planned unit developments, conditional uses, shoreline substantial development permits, site plan review, permits or approvals required by critical area ordinances, site-specific rezones authorized by a comprehensive plan or subarea plan, but excluding the adoption or amendment of a comprehensive plan, subarea plan, or development regulations except as otherwise specifically included in this subsection.

(5) "Public meeting" means an informal meeting, hearing, workshop, or other public gathering of people to obtain comments from the public or other agencies on a proposed project permit prior to the local government's decision. A public meeting may include, but is not limited to, ((~~a design review or~~)) an architectural control board meeting, a special review district or community council meeting, or a scoping meeting on a draft environmental impact statement. A public meeting does not include an open record hearing. The proceedings at a public meeting may be recorded and a report or recommendation may be included in the local government's project permit application file.

**Sec.**  RCW 36.70B.120 and 1995 c 347 s 416 are each amended to read as follows:

(1) Each local government planning under RCW 36.70A.040 shall establish a permit review process that provides for the integrated and consolidated review and decision on two or more project permits relating to a proposed project action, including a single application review and approval process covering all project permits requested by an applicant for all or part of a project action and a designated permit coordinator. If an applicant elects the consolidated permit review process, the determination of completeness, notice of application, and notice of final decision must include all project permits being reviewed through the consolidated permit review process.

(2) Consolidated permit review may provide different procedures for different categories of project permits, but if a project action requires project permits from more than one category, the local government shall provide for consolidated permit review with a single open record hearing and no more than one closed record appeal as provided in RCW 36.70B.060. Each local government shall determine which project permits are subject to an open record hearing and a closed record appeal. Examples of categories of project permits include but are not limited to:

(a) Proposals that are categorically exempt from chapter 43.21C RCW, such as construction permits, that do not require environmental review or public notice;

(b) Permits that require environmental review, but no open record predecision hearing; and

(c) Permits that require a threshold determination and an open record predecision hearing and may provide for a closed record appeal to a hearing body or officer or to the local government legislative body.

(3) A local government may provide by ordinance or resolution for the same or a different decision maker or hearing body or officer for different categories of project permits. In the case of consolidated project permit review, the local government shall specify which decision makers shall make the decision or recommendation, conduct the hearing, or decide the appeal to ensure that consolidated permit review occurs as provided in this section. The consolidated permit review may combine an open record predecision hearing on one or more permits with an open record appeal hearing on other permits. In such cases, the local government by ordinance or resolution shall specify which project permits, if any, shall be subject to a closed record appeal.

(4)(a) When reviewing a housing development permit application, a local government planning under RCW 36.70A.040 may only require administrative design review to determine compliance with any applicable design standards.

(b) For the purposes of this subsection (4):

(i) "Administrative design review" means a development permit process whereby an application is reviewed, approved, or denied by the planning director or the planning director's designee based solely on objective design and development standards without a public meeting or hearing, unless such review is otherwise required by state or federal law, or the structure is a designated landmark or historic district established under a local preservation ordinance.

(ii) "Housing development" means a proposed or existing structure that is used as a home, residence, or place to sleep by one or more persons including, but not limited to, single-family residences, manufactured homes, multifamily housing, group homes, and foster care facilities.

(5) A local government planning under RCW 36.70A.040 must comply with the requirements of subsection (4) of this section beginning six months after its next periodic comprehensive plan update required under RCW 36.70A.130.

NEW SECTION. **Sec.**  The office of regulatory innovation and assistance shall contract with a qualified external consultant or entity to develop a standard plan set demonstrating a prescriptive compliance pathway that will meet or exceed all energy code regulations for residential housing in the state subject to the international residential code. The standard plan set may be used, but is not required, by local governments and building industries. In developing the standard plan set, the consultant shall, at a minimum, seek feedback from cities, counties, building industries, and building officials. The standard plan set must be completed by June 30, 2024.

NEW SECTION. **Sec.**  If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2023, in the omnibus appropriations act, this act is null and void.

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