SSB 5235 - H COMM AMD

By Committee on Housing

NOT CONSIDERED 01/02/2024

1 Strike everything after the enacting clause and insert the 2 following:

3 "NEW SECTION. Sec. 1. The legislature finds that there is a shortage of affordable housing units available for home ownership or 4 long-term rental within most urban growth areas of the state. This 5 lack of affordable housing forces many residents to spend more than 6 7 30 percent of their household income on housing, greatly increasing housing insecurity and contributing to the state's crisis 8 unacceptable numbers of persons experiencing homelessness. Increasing 9 the availability of accessory dwelling units, also referred to as 10 11 "ADUs," may increase opportunities for people to age in their own 12 home and increase multigenerational family ties along with offering opportunities to reduce intergenerational poverty by increasing home 13 14 ownership. The legislature finds that accessory dwelling units can be one way to add affordable long-term housing and to provide a needed 15 increase in housing density within urban growth areas with benefits 16 17 to reducing fossil fuel use and other contributions to climate change due to housing and transportation patterns. The legislature seeks to 18 encourage accessory dwelling unit availability as a modest housing 19 option by streamlining local government regulations that 20 21 unintentionally make accessory dwelling units less economical. Since 22 residents in a region may be choosing between cities, it is important to acknowledge that one city cannot build affordability on its own. 23 24 An expansion in supply of affordable housing in a small city, but not 25 neighboring cities, may satisfy some of the demand for affordable 26 housing, but without a regional strategy, small cities will not be able to build affordability on their own. Statewide action is needed. 27 28 Furthermore, the legislature finds that research from several cities 29 shows that when accessory dwelling units are built or that are converted and offered for short-term rental for tourists and business 30 visitors, they may not improve housing affordability. Therefore, it 31 32 is the intent of the legislature to meet these important policy goals

- 1 by increasing the availability of accessory dwelling units as modest
- 2 housing options, limiting the restrictions that can be imposed on the
- 3 development and use of accessory dwelling units within urban growth
- 4 areas, and authorizing local governments to adopt programs to
- 5 incentivize or reduce local government-imposed cost or time related
- 6 obstacles to the development of accessory dwelling units when the
- 7 accessory dwelling units will be utilized for long-term housing.
- 8 **Sec. 2.** RCW 36.70A.070 and 2022 c 246 s 2 and 2022 c 220 s 1 are each reenacted and amended to read as follows:

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

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

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- 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, and 10 townhomes;
- 11 (c) Identifies sufficient capacity of land for housing including,
 12 but not limited to, government-assisted housing, housing for
 13 moderate, low, very low, and extremely low-income households,
 14 manufactured housing, multifamily housing, group homes, foster care
 15 facilities, emergency housing, emergency shelters, permanent
 16 supportive housing, and within an urban growth area boundary,
 17 consideration of duplexes, triplexes, and townhomes;
 - (d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:
- 20 (i) Incorporating consideration for low, very low, extremely low, 21 and moderate-income households;
 - (ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;
 - (iii) Consideration of housing locations in relation to employment location; and
- (iv) Consideration ((of the role)) and utilization of accessory dwelling units in meeting housing needs in compliance with RCW 36.70A.698;
- 30 (e) Identifies local policies and regulations that result in 31 racially disparate impacts, displacement, and exclusion in housing, 32 including:
 - (i) Zoning that may have a discriminatory effect;
 - (ii) Disinvestment; and
- 35 (iii) Infrastructure availability;
- 36 (f) Identifies and implements policies and regulations to address 37 and begin to undo racially disparate impacts, displacement, and 38 exclusion in housing caused by local policies, plans, and actions;

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- (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- (h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

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

The adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city that is required or chooses to plan under RCW 36.70A.040 that increase housing capacity, increase housing affordability, and mitigate displacement as required under this subsection (2) and that apply outside of critical areas are not subject to administrative or judicial appeal under chapter 43.21C RCW unless the adoption of such ordinances, development regulations and amendments to such regulations, or other nonproject actions has a probable significant adverse impact on fish habitat.

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

facilities plan element.

(4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities $((\tau))$ including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

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- (5) Rural element. Counties shall include a rural element including lands that are not designated for urban agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:
- (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.
- (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
 - (i) Containing or otherwise controlling rural development;
- (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- (iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and
- (v) Protecting against conflicts with the use of agricultural, 35 forest, and mineral resource lands designated under RCW 36.70A.170. 36
- (d) Limited areas of more intensive rural development. Subject to 37 the requirements of this subsection and except as otherwise 38 39 specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, H-1774.1/23Code Rev/AI:jlb 5

1 including necessary public facilities and public services to serve 2 the limited area as follows:

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- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.
- (A) A commercial, industrial, residential, shoreline, or mixeduse area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.
- (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
- (C) Any development or redevelopment in terms of building size, scale, use, or intensity may be permitted subject to confirmation from all existing providers of public facilities and public services of sufficient capacity of existing public facilities and public services to serve any new or additional demand from the new development or redevelopment. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5) and is consistent with the local character. Any commercial development or redevelopment within a mixed-use area must be principally designed to serve the existing and projected rural population and must meet the following requirements:
- (I) Any included retail or food service space must not exceed the footprint of previously occupied space or 5,000 square feet, whichever is greater, for the same or similar use; and
- 31 (II) Any included retail or food service space must not exceed 32 2,500 square feet for a new use;
- (ii) The intensification of development on lots containing, or 33 new development of, small-scale recreational or tourist uses, 34 including commercial facilities to serve those recreational or 35 tourist uses, that rely on a rural location and setting, but that do 36 not include new residential development. A small-scale recreation or 37 tourist use is not required to be principally designed to serve the 38 existing and projected rural population. Public services and public 39 40 facilities shall be limited to those necessary to serve the

recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;

- The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of smallscale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;
- 19 (iv) A county shall adopt measures to minimize and contain the existing areas of more intensive rural development, as appropriate, 20 21 authorized under this subsection. Lands included in such existing areas shall not extend beyond the logical outer boundary of the 22 23 existing area, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained 24 25 and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if 26 limited as provided in this subsection. The county shall establish 27 28 the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county 29 shall address (A) the need to preserve the character of existing 30 31 natural neighborhoods and communities, (B) physical boundaries, such 32 as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and 33 (D) the ability to provide public facilities and public services in a 34 manner that does not permit low-density sprawl; 35
- 36 (v) For purposes of this subsection (5)(d), an existing area or 37 existing use is one that was in existence:
- 38 (A) On July 1, 1990, in a county that was initially required to 39 plan under all of the provisions of this chapter;

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

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- (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).
- 8 (e) Exception. This subsection shall not be interpreted to permit
 9 in the rural area a major industrial development or a master planned
 10 resort unless otherwise specifically permitted under RCW 36.70A.360
 11 and 36.70A.365.
- 12 (6) A transportation element that implements, and is consistent 13 with, the land use element.
- 14 (a) The transportation element shall include the following 15 subelements:
 - (i) Land use assumptions used in estimating travel;
 - (ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;
 - (iii) Facilities and services needs, including:
 - (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;
 - (B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;
- 33 (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 34 RCW, to gauge the performance of the system. The purposes of 35 reflecting level of service standards for state highways in the local 36 comprehensive plan are to monitor the performance of the system, to 37 improvement strategies, and to facilitate coordination 38 39 between the county's or city's six-year street, road, or transit 40 program and the office of financial management's ((ten-year)) 10-year

- investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;
 - (D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;
 - (E) Forecasts of traffic for at least ((ten)) 10 years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;
 - (F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;
 - (iv) Finance, including:

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- (A) An analysis of funding capability to judge needs against probable funding resources;
- (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ((ten-year)) 10-year investment program developed by the office of financial management as required by RCW 47.05.030;
- (C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
- (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
 - (vi) Demand-management strategies;
- (vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.

- 1 (b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local 2 jurisdictions must adopt and enforce ordinances which prohibit 3 development approval if the development causes the level of service 4 on a locally owned transportation facility to decline below the 5 6 standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate 7 the impacts of development are made concurrent with the development. 8 These strategies may include increased public transportation service, 9 ride-sharing programs, demand management, and other transportation 10 11 systems management strategies. For the purposes of this subsection 12 (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a 13 financial commitment is in place to complete the improvements or 14 strategies within six years. If the collection of impact fees is 15 delayed under RCW 82.02.050(3), the six-year period required by this 16 17 subsection (6)(b) must begin after full payment of all impact fees is 18 due to the county or city.
 - (c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ((ten-year)) 10-year investment program required by RCW 47.05.030 for the state, must be consistent.

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- (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.
- (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ((ten-year)) 10-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.
- (9) It is the intent that new or amended elements required after 37 January 1, 2002, be adopted concurrent with the scheduled update 38 39 provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to Code Rev/AI:jlb 10 H-1774.1/23

- 1 cover applicable local government costs are appropriated and
- 2 distributed by the state at least two years before local government
- 3 must update comprehensive plans as required in RCW 36.70A.130.
- 4 **Sec. 3.** RCW 36.70A.696 and 2021 c 306 s 2 are each amended to read as follows:
- The definitions in this section apply throughout RCW 36.70A.697 and 36.70A.698 unless the context clearly requires otherwise.
- 8 (1) "Accessory dwelling unit" means a dwelling unit located on 9 the same lot as a single-family housing unit, duplex, triplex, 10 townhome, or other housing unit.
- 11 (2) "Attached accessory dwelling unit" means an accessory dwelling unit located within or attached to a single-family housing unit, duplex, triplex, townhome, or other housing unit. An attached accessory dwelling unit must have a substantial portion of its footprint within the other housing unit, and must share structural elements with the other unit.
 - (3) "City" means any city, code city, and town located in a county planning under RCW 36.70A.040.
 - (4) "County" means any county planning under RCW 36.70A.040.
- 20 (5) "Detached accessory dwelling unit" means an accessory 21 dwelling unit that consists partly or entirely of a building that is 22 separate and detached from a single-family housing unit, duplex, 23 triplex, townhome, or other housing unit and is on the same property.
 - (6) "Dwelling unit" means a residential living unit that provides complete independent living facilities for one or more persons and that includes permanent provisions for living, sleeping, eating, cooking, and sanitation.
 - (7) "Major transit stop" means:
- 29 (a) A stop on a high capacity transportation system funded or 30 expanded under the provisions of chapter 81.104 RCW;
 - (b) Commuter rail stops;
- 32 (c) Stops on rail or fixed guideway systems, including 33 transitways;
- 34 (d) Stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes; or
- 36 (e) Stops for a bus or other transit mode providing actual fixed 37 route service at intervals of ((at least fifteen)) no greater than 15 38 minutes for at least five hours during the peak hours of operation on 39 weekdays.

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- 1 (8) (("Owner" means any person who has at least 50 percent 2 ownership in a property on which an accessory dwelling unit is 3 located.
- 4 (9)) "Short-term rental" means a lodging use, that is not a bottle or motel or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than 30 consecutive nights.
- 8 **Sec. 4.** RCW 36.70A.697 and 2020 c 217 s 3 are each amended to 9 read as follows:
- 10 (1) Cities <u>and counties</u> must adopt or amend by ordinance, and 11 incorporate into their development regulations, zoning regulations, 12 and other official controls the requirements of RCW 36.70A.698 to 13 take effect by <u>the time of the city's or county's next comprehensive</u> 14 <u>plan update after</u> July 1, 2021.
- 15 (2) Beginning ((July 1, 2021)) <u>after the deadline in subsection</u> 16 (1) of this section, the requirements of RCW 36.70A.698:
- 17 (a) Apply and take effect in any city <u>or county</u> that has not 18 adopted or amended ordinances, regulations, or other official 19 controls as required under this section; and
- 20 (b) Supersede, preempt, and invalidate any local development 21 regulations that conflict with RCW 36.70A.698.
- 22 **Sec. 5.** RCW 36.70A.698 and 2020 c 217 s 4 are each amended to 23 read as follows:
- (1) ((Except as provided in subsection[s] (2) and (3) of this section, through ordinances, development regulations, zoning regulations, and other official controls as required under RCW 36.70A.697, cities)) Cities and counties may not ((require)) prohibit the construction of accessory dwelling units on residentially zoned lots within urban growth areas.
- 30 (2) When regulating accessory dwelling units, cities and counties 31 may not:
- 32 (a) Impose a limit on accessory dwelling units of fewer than one 33 attached and one detached accessory dwelling unit on a lot zoned for 34 residential use with a total square footage of more than 4,500 square 35 feet, unless the lot is otherwise zoned to allow:
- (i) At least two dwelling units, in which case at least one additional attached or detached accessory dwelling unit must be allowed;

(ii) At least three dwelling units;

- (b) Impose a limit on accessory dwelling units of fewer than one attached or one detached accessory dwelling unit on a lot zoned for residential use with a total square footage of less than 4,500 square feet, unless the lot is otherwise zoned to allow at least two dwelling units;
 - (c) Impose any prohibition of the sale or other conveyance of a condominium unit independently of a principal unit that is based solely on the grounds that the condominium unit was originally built as an accessory dwelling unit, provided that the condominium unit is served by utilities that are independent of the principal unit;
- (d) Impose any owner occupancy requirements on any housing or dwelling unit on a lot containing an accessory dwelling unit. A city or county may retain an owner occupancy requirement if:
- (i) An accessory dwelling unit on the lot is offered or used for short-term rental as defined in RCW 36.70A.696; or
- (ii) The city or county administers a general program, begun prior to December 31, 2022, offering the waiver or reduction of impact fees and costs associated with accessory dwelling unit construction, if the units are offered at or below 80 percent of the area median income;
- (e) Require the provision of off-street parking for accessory dwelling units within one-quarter mile of a major transit stop, except that a city or county may require the provision of off-street parking for such an accessory dwelling unit if the city or county makes a determination, supported by evidence, that the accessory dwelling unit is in an area that would make on-street parking infeasible or unsafe for the accessory dwelling unit; or
- (f) Apply other development regulations to the construction of accessory dwelling units that are more restrictive than regulations on single-family or other residential developments.
- (((2) A city may require the provision of off-street parking for an accessory dwelling unit located within one-quarter mile of a major transit stop if the city has determined that the accessory dwelling unit is in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the accessory dwelling unit.

- 1 (3) A city that has adopted or substantively amended accessory
 2 dwelling unit regulations within the four years previous to June 11,
 3 2020, is not subject to the requirements of this section.))
 - (3) Regulations that may be applied to accessory dwelling units by cities and counties include:
 - (a) Generally applicable development regulations;

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- 7 (b) Public health, safety, building code, and environmental
 8 permitting requirements, including regulations to protect ground and
 9 surface waters from on-site wastewater, that would be applicable to a
 10 principal unit;
- 11 (c) A prohibition on the construction of accessory dwelling units
 12 on lots that are not connected to or served by public sewers;
- (d) A prohibition or restriction on the construction of accessory

 dwelling units in residential zones with a density of one dwelling

 unit per acre or less that are within areas designated as wetlands,

 fish and wildlife habitats, floodplains, or geologically hazardous

 areas.
- 18 <u>(4) This section and section 4 of this act apply only within</u> 19 <u>urban growth areas required by this chapter.</u>
- NEW SECTION. Sec. 6. A new section is added to chapter 36.70A RCW to read as follows:
 - To encourage the use of accessory dwelling units for long-term housing, cities and counties may adopt ordinances, development regulations, and other official controls which waive or defer fees, including impact fees; defer the payment of taxes; or waive specific regulations. Cities and counties may only offer such reduced or deferred fees, deferred taxes, waivers, or other incentives for the development or construction of accessory dwelling units if such units are subject to effective binding commitments or covenants that the units will not be regularly offered for short-term rental.
- NEW SECTION. Sec. 7. A new section is added to chapter 64.32 RCW to read as follows:
- (1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, Code Rev/AI:jlb 14 H-1774.1/23

- development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.
 - (2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section.
- NEW SECTION. Sec. 8. A new section is added to chapter 64.34
 RCW to read as follows:
 - (1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.
 - (2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section.
- NEW SECTION. Sec. 9. A new section is added to chapter 64.38 RCW to read as follows:
- (1) Except for restrictive covenants or deed restrictions created 29 to protect public health and safety or to protect ground and surface 30 waters from on-site wastewater, no restrictive covenant or deed 31 restriction created after the effective date of this section and 32 applicable to a property located within an urban growth area may 33 34 any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the 35 city or county in which the urban growth area is located would be 36 37 prohibited from imposing under RCW 36.70A.698.

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- (2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section.
- NEW SECTION. Sec. 10. A new section is added to chapter 64.90 RCW to read as follows:
 - (1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.
 - (2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section."
- 24 Correct the title.

EFFECT: Provides an exception to the prohibition against covenants or deed restrictions that prohibit or restrict the construction, development, or use of an accessory dwelling unit if the prohibition is necessary to protect public health and safety or to protect ground and surface waters from on-site wastewater.

Removes the prohibition against the covenants and deed restrictions from the growth management statutes and includes it in the statutes governing common interest communities.

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