

# HOUSE BILL REPORT

## HB 2464

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### As Reported by House Committee On:

Housing

**Title:** An act relating to increasing affordable homeownership opportunities by allowing the development of manufactured/mobile home communities outside of urban growth areas and allowing the siting of manufactured/mobile homes within manufactured/mobile home communities.

**Brief Description:** Concerning the development of new manufactured/mobile homes and new manufactured/mobile home communities.

**Sponsors:** Representatives Connors, Peterson and Barkis.

### Brief History:

#### Committee Activity:

Housing: 1/29/24, 1/30/24 [DP].

#### Brief Summary of Bill

- Authorizes counties to allow new manufactured/mobile home communities in areas outside of urban growth areas (UGAs), when certain conditions are met.
- Amends comprehensive plans and designates new manufactured/mobile home communities as UGAs after applications for communities are approved.
- Permits urban growth in designated manufactured/mobile home communities included in UGAs.
- Requires cities, code cities, counties, and towns to approve the addition of manufactured/mobile homes or park models within manufactured/mobile home communities, unless the location would expressly violate health or safety standards.

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

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## HOUSE COMMITTEE ON HOUSING

**Majority Report:** Do pass. Signed by 10 members: Representatives Peterson, Chair; Leavitt, Vice Chair; Klicker, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Barkis, Bateman, Entenman, Hutchins, Low and Taylor.

**Minority Report:** Without recommendation. Signed by 3 members: Representatives Alvarado, Vice Chair; Chopp and Reed.

**Staff:** Martha Wehling (786-7067).

### **Background:**

#### The Growth Management Act and Comprehensive Plans.

The Growth Management Act (GMA) requires that certain counties, and the cities within those counties, engage in planning for future population growth. The central part of the planning process is the comprehensive plan. The Legislature has established 15 goals that should act as the basis of all comprehensive plans. Examples of goals include encouraging development in urban areas, reducing sprawl, providing for affordable housing, and protecting property rights. The comprehensive plan must address these goals and set out the policies and standards that are meant to guide the city or county's actions and decisions in the future. A comprehensive plan must be reviewed and, if necessary, revised every 10 years.

#### *Housing Element.*

A comprehensive plan must include a housing element that ensures the vitality and character of established residential neighborhoods. The housing element must include certain information, such as identification of sufficient land for manufactured housing and adequate provisions for existing and projected needs of all economic segments of the community.

#### *Urban Growth.*

Each county that participates in planning under the GMA was required to designate an urban growth area (UGA). Urban growth makes intensive use of land for buildings, structures, and impermeable surfaces, and is unsuitable for agriculture, natural resource use and management, or for rural uses. Urban growth is encouraged within the UGA, and growth outside of the UGA can only occur if it is not urban. The UGAs must be designated in each county's comprehensive plan, and must be reviewed and revised every 10 years in the comprehensive plan process. In limited situations, certain amendments and revisions to a comprehensive plan may be revised, subject to limitations, no more frequently than once per year.

All cities must be included within a county's UGA. The county and each city must include sufficient area and density for the growth anticipated in the next 20 years. Cities and

counties may consider local circumstances, and have discretion to make choices about how to accommodate growth. A UGA may only include areas outside a city if the area is characterized by urban growth or is a designated new fully contained community.

The location of urban growth within a UGA is prioritized. First, urban growth must be located in areas that have adequate existing public facility and service capacities. Second, urban growth must be located in areas that will be served by a combination of existing facilities, and public or privately sourced facilities that will provide additional adequate services. Third, urban growth will be in the remaining portions of the UGAs. Urban growth may also be located in designated new fully contained communities.

#### *Fully Contained Communities.*

A county may authorize a new fully contained community outside of a UGA when certain criteria are met. The criteria include but are not limited to:

- providing new infrastructure and establishing impact fees;
- implementing transit-oriented site planning and traffic demand management programs;
- providing buffers between the new communities and adjacent urban development;
- providing a mix of uses to offer jobs, housing, and services to the community residents;
- providing affordable housing within the community for a broad range of income levels;
- addressing and providing for environmental protection;
- establishing development regulations to ensure urban growth will not occur in adjacent nonurban areas;
- mitigating impacts on designated agriculture lands, forestlands, and mineral resource lands; and
- consistency with development regulations protecting critical areas.

A county must reserve a portion of the 20-year projected population growth and offset the UGA for allocation to the fully contained community. A county can only establish a new community reserve once every five years, as part of the UGA review. After a new community reserve is established, the UGA must accommodate the unreserved portion.

Approval of a fully contained community is considered an adopted amendment to the comprehensive plan, and designates the new community as a UGA. The effective date of establishment of a new fully contained community is the later of either 60 days after publication of the notice of amendment adoption, or, if a petition challenging the decision is filed, after the Growth Management Hearings Board (GMHB) issues its final order.

#### Manufactured/Mobile Homes and Communities.

A "manufactured/mobile home community" is real property rented for two or more mobile homes, manufactured homes, or park models to produce income. A "mobile home" is a factory-built dwelling built prior to 1976, to standards other than federal law, and

acceptable under applicable state laws in effect at the time of construction or introduction of the home into the state. A "manufactured home" is a single-family dwelling built according to a federal building code. A manufactured home: (a) includes plumbing, heating, air conditioning, and electrical systems; (b) is built on a permanent chassis; and (c) can be transported in one or more sections or is 320 square feet or larger. A "manufactured/mobile home" is either a manufactured home or a mobile home. A "park model" is a recreational vehicle intended for permanent or semipermanent installation and used as a primary residence.

#### Manufactured Home Siting.

A city, code city, county, or town may not adopt an ordinance that has the effect, directly or indirectly, of discriminating against or restricting the location of manufactured/mobile homes, but may specify foundation, design standards, and requirements to comply with fire, safety, and energy codes.

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#### **Summary of Bill:**

##### New Manufactured/Mobile Home Communities Outside of Urban Growth Areas.

Counties that plan under the GMA may authorize new manufactured/mobile home communities outside of UGAs. A new manufactured/mobile home community is subject to the same criteria as a new fully contained community, such as buffers with adjacent urban development and affordable housing for a broad range of income levels.

Some of the restrictions on new fully contained communities do not apply to new manufactured/mobile home communities. A county is not required to reserve a portion of the 20-year projected population growth and offset the UGA for allocation to a manufactured/mobile home community, and is not limited to establishing a new manufactured/mobile home community once every five years.

Approval of a manufactured/mobile home community is considered an adopted amendment to the comprehensive plan, and designates the new manufactured/mobile home community as a UGA.

The effective date of establishment of a new manufactured/mobile home community is the later of either 60 days after publication of the notice of amendment adoption, or, if a petition challenging the decision is filed, after the GMHB issues its final order.

##### Urban Growth.

A designated new manufactured/mobile home community may be included in a UGA outside of a city. Urban growth may be located in new manufactured/mobile home communities.

##### Manufactured Home Siting.

A city, code city, county, or town must approve the addition of manufactured/mobile homes or park models within manufactured/mobile home communities. The siting of a new or used home must be authorized unless its location would expressly violate health and safety standards.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) Manufactured communities provide a place for family members to start their journey in homeownership and generational wealth, and they embody the state's commitment to promoting home ownership and accessibility for its vulnerable residents, including low income, seniors, and veterans. Housing fosters belonging, strengthens local communities, and improves the quality of life by creating stronger and more vibrant communities. Manufactured home communities provide desperately needed affordable housing, and there is a huge housing supply shortage of hundreds of thousands of units. The all-in cost of home and installation is under \$300,000, a 40 percent discount from private communities. A manufactured home community can provide a home where rent is less than \$1,000. As apartment costs increase, there are several parks where homes could be added and the parks could expand almost immediately. There are currently 70,000 manufactured households in the state. Spokane County said "no" to allowing up to 700 homes on vacant property zoned the same as an adjacent community because it was outside the urban growth area. The bill allows, but does not require, manufactured/mobile home communities outside urban growth areas close to urban services, and requires approval of additional homes in existing communities that are already built. The bill contains environmental protection, anti-sprawl protection, and specifically protects natural resource lands. It will break down barriers to building affordable housing units and provide every resident a place they can call home.

(Opposed) Allowing new communities and siting housing and density outside the urban growth area is not the answer to housing needs. While the Department of Commerce is committed to providing greater housing opportunities and supporting manufactured homes and parks, it can not support housing outside of urban growth areas. New communities would create new pockets of urban development where no services are available. Allowing new communities would push the people most in need to relatively isolated locations of rural lands where there is scarce access to jobs and services. The impact fees needed to support these communities will not be affordable to extend that far. Landlords are the beneficiaries of new communities because they will continue to raise rents and will close

the communities once land values are high. Homeowners receive two years of residency, and do not benefit from paying high interest rates and the costs of landscaping fees. It would be equitable to keep rents affordable and to designate zoning in perpetuity for manufactured communities.

**Persons Testifying:** (In support) Representative April Connors, prime sponsor; Christa Connelly, West Prairie Village Mobile Home Park; Dan Piantanida, Clearview East Mobile Home Park; and Monica Grant, Oak Hallow Mobile Home Park.

(Opposed) Dave Andersen, Washington Department of Commerce; Ishbel Dickens, Association of Manufactured Home Owners; and Bryce Yadon, Futurewise.

**Persons Signed In To Testify But Not Testifying:** Mike Simonitch, Snug Harbor Mobile Home Park; Russ Millard, Manufactured Housing Communities of Washington; Jake Bond; Morgan Irwin, Association of Washington Business; Victoria O'Banion, Northwest Cooperative Development Center; and Paul Jewell, Washington State Association of Counties.