## SENATE BILL REPORT ESHB 1293

As Reported by Senate Committee On: Local Government, Land Use & Tribal Affairs, March 23, 2023

**Title:** An act relating to streamlining development regulations.

**Brief Description:** Streamlining development regulations.

**Sponsors:** House Committee on Housing (originally sponsored by Representatives Klicker, Leavitt, Barkis, Jacobsen, Waters, Chapman, Reed and Graham).

Brief History: Passed House: 2/28/23, 94-3.

Committee Activity: Local Government, Land Use & Tribal Affairs: 3/21/23, 3/23/23

[DPA, w/oRec].

### **Brief Summary of Amended Bill**

- Requires counties and cities planning under the Growth Management Act to apply only clear and objective design review standards to the exterior of new development, with exceptions.
- Clarifies project review provisions and adds expedited review of project permit applications that include dwelling units that are affordable to lowand moderate-income households.

# SENATE COMMITTEE ON LOCAL GOVERNMENT, LAND USE & TRIBAL AFFAIRS

Majority Report: Do pass as amended.

Signed by Senators Lovelett, Chair; Salomon, Vice Chair; Torres, Ranking Member; Short.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Kauffman.

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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.

**Staff:** Karen Epps (786-7424)

**Background:** Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous planning requirements for counties and cities obligated by mandate or choice to fully plan under the GMA—planning jurisdictions—and a reduced number of directives for all other counties and cities. Twenty-eight of Washington's 39 counties, and the cities within those counties, are planning jurisdictions.

Counties that fully plan under the GMA must designate urban growth areas (UGAs), within which urban growth must be encouraged and outside of which growth may occur only if it is not urban in nature. Each city in a county must be included in a UGA. Planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period.

<u>Design Review.</u> Design review is a formally adopted local government process by which projects are reviewed for compliance with design standards for the type of use adopted through local ordinance. Design review focuses on the appearance of new construction, site planning, and items such as landscaping, signage, and other aesthetic issues.

**Summary of Amended Bill:** <u>Design Review.</u> Beginning six months after its next required periodic comprehensive plan update, a fully planning city or county may apply only clear and objective regulations to the exterior design of new development, except for designated landmarks or historic districts established under a local preservation ordinance. For the design review process, a clear and objective regulation:

- must include one or more ascertainable guidelines, standards, or criterion by which an
  applicant can determine whether a given building design is permissible under that
  development regulation; and
- may not result in a reduction in density, height, bulk, or scale below the generally
  applicable development regulations for a development proposal in the applicable
  zone.

Any design review process must be conducted concurrently, or otherwise logically integrated, with the consolidated review and decision process for project permits, and the design review process may not include more than one public meeting.

<u>Project Review.</u> During project review, counties and cities may only require preapplication conferences or a public meeting where otherwise required by state law. Counties and cities are encouraged to adopt project review provisions that ensure an objective review and expedite project permit applications for projects that include dwelling units that are affordable to low- and moderate-income households.

#### EFFECT OF LOCAL GOVERNMENT, LAND USE & TRIBAL AFFAIRS

### **COMMITTEE AMENDMENT(S):**

- Removes the categorical exemption from the state environmental policy act for residential housing units within an urban growth area.
- Removes the provision that clear and objective review standards to the exterior of new development does not include residential housing.
- Removes the statutory reference to the local project review code for the definition of public meeting.

**Appropriation:** None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Substitute House Bill: The committee recommended a different version of the bill than what was heard. PRO: There is more red tape for permitting and with the need to expedite housing, this bill expedites the permitting process to get through the red tape. This bill will make it so that one EIS is needed rather than repetitive EISs under SEPA. This bill will save time, effort, and money, while still following protocols. This bill is part of a package of bills to improve housing availability and affordability. This bill moves environmental review up to the planning level where the community can be involved in the process and removes environmental review from the project level. The bill allows projects that are consistent with the comprehensive plan to move forward without an added step. There are projects inside the UGA that are subject to SEPA and design review and it can take upwards to two years to go through those stops. This bill will move housing projects through the permitting process faster. The bill makes changes to design review to provide predictable ascertainable standards that will ensure quality design, while also streamlining the process when building housing.

OTHER: This bill is one of three bills that amends the same SEPA section in different ways that would be difficult to reconcile if they were all adopted. This bill adds a mandatory categorical exemption provided the development is consistent with the comprehensive plan with the intent being that the cities and counties would prepare an EIS on the plan, but the bill is unclear about when the EIS was done.

**Persons Testifying:** PRO: Representative Mark Klicker, Prime Sponsor; Ian Morrison, NAIOP Washington State; Scott Hazlegrove, Master Builders Association of King and Snohomish Counties; Tricia Gullion, Building Industry Association of Washington.

OTHER: Tim Gates, Ecology Shorelands Program.

Persons Signed In To Testify But Not Testifying: No one.

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