SENATE BILL REPORT SB 6140

As Reported by Senate Committee On: Local Government, Land Use & Tribal Affairs, January 25, 2024

Title: An act relating to limited areas of more intensive rural development.

Brief Description: Concerning limited areas of more intensive rural development.

Sponsors: Senators Short, Lovelett, Braun and Kuderer.

Brief History:

Committee Activity: Local Government, Land Use & Tribal Affairs: 1/18/24, 1/25/24 [DPS].

Brief Summary of First Substitute Bill

• Provides an exemption for the square footage requirements for new or existing retail or service space within a limited area of more intensive rural development if the area is located at least ten miles from an existing urban growth area and provides an essential rural retail service.

SENATE COMMITTEE ON LOCAL GOVERNMENT, LAND USE & TRIBAL AFFAIRS

Majority Report: That Substitute Senate Bill No. 6140 be substituted therefor, and the substitute bill do pass.

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

Staff: Maggie Douglas (786-7279)

Background: <u>Growth Management Act.</u> The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA establishes land-use designation and environmental protection requirements for all

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Washington counties and cities. The GMA also establishes a significantly wider array of planning duties for 28 counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA. These jurisdictions are sometimes said to be fully planning under the GMA.

The GMA directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations and must include a plan, scheme, or design for certain enumerated elements, including mandatory land use and rural elements. The rural element must provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses.

Limited Areas of More Intensive Rural Development. Most counties have examples of existing areas of more intensive development built or vested prior to the adoption of the GMA. These existing areas were designated as limited areas of more intensive rural development (LAMIRDs) as exceptions to the rural element requirement of comprehensive plans while retaining protections for rural character and the operation of resource uses.

Counties must establish logical outer boundaries, based on the boundaries of existing development, to contain more intense development. In establishing the logical outer boundary, the county must address:

- the need to preserve the character of existing natural neighborhoods and communities;
- physical boundaries, such as bodies of water, streets and highways, and landforms and contours;
- the prevention of abnormally irregular boundaries; and
- the ability to provide public facilities and public services in a manner that does not permit low-density sprawl.

The rural element of county comprehensive plans allow for three types of LAMIRDs.

Type I LAMIRDs consist of infill, development, or redevelopment of commercial, industrial, residential, or mixed-use areas that existed at the time a county became required to plan under the GMA. Existing areas are those clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment. Existing areas may also include undeveloped lands as provided by the logical outer boundary. With the exception of industrial areas, any development or redevelopment within a mixed-use area must be principally designed to serve rural population.

Type II LAMIRDs consist of the intensification or new development of small-scale recreational or tourist uses that do not include new residential development. Type II LAMIRDs are not required to principally serve rural populations.

Type III LAMIRDs consist of isolated intensified development of nonresidential uses or of

new development of isolated cottage industries and small-scale businesses. Type III LAMIRDs are not required to principally serve rural populations but must provide job opportunities for rural residents. Type III LAMIRDs may allow the expansion of an existing business, or new small-scale business, so long as there is conformance to the rural character of the area.

<u>2022 Legislative Updates to Limited Areas of More Intensive Rural Developments.</u> In 2022, the Legislature amended statutes governing Type I LAMIRDs. The amendments provide that within a Type I LAMIRD, 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 to serve any new or additional demand from the new development or redevelopment or redevelopment may include changes in use from vacant land or a previously existing use so long as the new use is consistent with the local character.

Any commercial development or redevelopment within a mixed-use area of a Type I LAMIRD must be principally designed to serve the existing and projected rural population and meet the following requirements:

- any included retail or food service space must not exceed the footprint of previously occupied space or 5000 square feet, whichever is greater, for the same or similar use; and
- any included retail or food service space must not exceed 2500 square feet for a new use.

Summary of Bill (First Substitute): Existing retail or food service spaces located in a Type I LAMIRD are exempt from the current 5000 square foot limit, but must not exceed a footprint greater than 10,000 square feet, if the limited area is located at least ten miles from an existing urban growth area and provides an essential rural retail service.

New retail or food service spaces located in a Type I LAMIRD are exempt from the current 2500 square foot limit, but must not exceed a footprint greater than 10,000 square feet, if the limited area is located at least ten miles from an existing urban growth area and provides an essential rural retail service.

Essential rural retail services include grocery, pharmacy, hardware, automotive parts, and similar uses that sell or provide products necessary for health and safety, such as food, medication, sanitation supplies, and products to maintain habitability and mobility.

EFFECT OF CHANGES MADE BY LOCAL GOVERNMENT, LAND USE & TRIBAL AFFAIRS COMMITTEE (First Substitute):

• Clarifies that an existing retail or food service space located in a LAMIRD at least ten miles from a UGA must not exceed the footprint of the previously occupied space or 10,000 square feet, whichever is greater.

Appropriation: None.

Fiscal Note: Not requested.

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 Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This bill is a practical way to address differences in the variety of LAMIRDs. This is specifically addressing the relatively isolated LAMIRDs that don't have any other options for essential services nearby. This bill eases the restrictions for some of these essential spaces and will not create competition with nearby UGAs or cause excessive developments because the market base isn't there. People living and working in rural remote areas need access to basic goods without traveling 30 miles and this will provide an option for taking cars off the road, reduce GHG emissions, and reduce wear and tear on the road. This bill will support complete communities.

OTHER: This bill could allow for things like auto dealerships and large restaurant chains to be built in a LAMIRD. The bill needs better clarity regarding food services, current limitations on restaurants and the new expansion allowance under the bill. It is important to have data about how many LAMIRDs would be impacted by this.

Persons Testifying: PRO: Senator Shelly Short, Prime Sponsor; Dave Andersen, Washington Department of Commerce; Mindy Brooks, Lewis County; Tricia Gullion, Building Industry Association of Washington; Travis Dutton, Washington State Association of Counties.

OTHER: Bryce Yadon, Futurewise.

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