SECOND SUBSTITUTE HOUSE BILL 2113

State of Washington 68th Legislature 2024 Regular Session

By House Appropriations (originally sponsored by Representatives Bateman, Macri, Peterson, Alvarado, Leavitt, Bronoske, Ramel, Fitzgibbon, Berry, Reed, Ormsby, Taylor, Gregerson, Street, Mena, Tharinger, Berg, Lekanoff, Riccelli, and Cortes)

READ FIRST TIME 02/05/24.

1 AN ACT Relating to compliance with the housing element 2 requirements of the growth management act; amending RCW 36.70A.290 3 and 36.70A.320; reenacting and amending RCW 36.70A.280, 36.70A.130, 4 and 43.21C.495; adding new sections to chapter 36.70A RCW; and 5 creating new sections.

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

7 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 36.70A 8 RCW to read as follows:

(1) (a) Within six months after each comprehensive plan update due 9 10 under RCW 36.70A.130, a county or city that is required or chooses to plan under RCW 36.70A.040 must submit any housing development 11 12 regulations adopted or amended after the effective date of this section to the department for a determination of compliance with the 13 14 laws and regulations identified in subsection (5) of this section. 15 Where the department has previously issued a determination of 16 compliance for a county's or city's housing development regulation, 17 no further review or approval is required under this section except that any final action to amend, repeal, or replace the housing 18 19 development regulation shall be subject to review and approval under 20 this section. For the purposes of this section, "housing development regulations" means any development regulations related to the housing 21

element requirements under RCW 36.70A.070(2) including, but not limited to, development regulations related to permanent supportive housing, emergency housing, emergency shelters, middle housing, and accessory dwelling units, and any zoning maps and zoning districts.

5 (b) Housing development regulations adopted by a county or city 6 subject to the requirements in this section do not take effect until 7 the department issues a final decision determining that the housing 8 development regulations comply with the laws and regulations 9 identified in subsection (5) of this section.

(c) The adoption of any housing development regulations by a 10 11 county or city subject to the requirements in this section may not be 12 appealed until the department issues a final decision on compliance. Any appeal of the department's final decision must comply with 13 subsection (6) of this section. For any ordinance sent to the 14 15 department for certification, the final decision for the purpose of RCW 36.70A.290 shall be the date the department publishes its final 16 17 decision under this section.

(2) Notice of intent to apply. (a) Not less than 120 days prior
to applying for a determination of compliance, the county or city
must notify the department in writing that it intends to apply.

(b) The department shall promptly publish notice in the Washington State Register that a city or county has notified the department of its intent to apply for a determination of compliance, and the department shall post a copy of the notice on the department's website.

(c) The department shall review the proposed housing development regulations prior to final adoption by the county or city and advise the county or city of the actions necessary to receive a determination of compliance.

30 (d) The department may consult with other relevant state agencies 31 in making its determination.

32 (3) Application procedures. (a) After taking final action to 33 adopt any housing development regulations, a city or county subject 34 to the requirements in this section must apply for a determination of 35 compliance. A city or county must submit its application to the 36 department within 10 days of taking final action.

37 (b) An application must include, at a minimum, the following:

38 (i) A cover letter from the legislative authority requesting a39 determination of compliance;

(ii) A copy of the adopted ordinance or resolution taking the
 legislative action or actions required to adopt the housing
 development regulations;

4 (iii) A statement explaining how the adopted housing development 5 regulations comply with the laws and regulations identified in 6 subsection (5) of this section; and

7 (iv) A copy of the record developed by the city or county at any 8 public meetings or public hearings at which action was taken on the 9 housing development regulations.

10 (c) For purposes of this subsection, "action" and "meeting" have 11 the same definitions as in RCW 42.30.020.

12 (4) Review procedures. (a) Within 180 days of the date of receipt 13 of an application, the department shall strive to issue a final 14 decision determining whether the housing development regulations 15 comply with the laws and regulations identified in subsection (5) of 16 this section.

17 (b) The department must issue its final decision in the form of a 18 written statement, including findings of fact and conclusions, and 19 noting the date of the issuance of its decision. The department's 20 issued decision must conspicuously and plainly state that it is the 21 department's final decision.

(c) The department shall promptly publish its final decision as follows:

(i) Notify the city or county in writing of its decision;(ii) Publish a notice of action in the Washington State Register;

26 (iii) Post a notice of its decision on the agency website; and

27 (iv) Notify other relevant state agencies regarding the decision.

(5) (a) The department shall issue a determination of compliance unless it determines that the housing development regulations are not consistent with any of the following:

31 (i) The housing planning goal set forth in RCW 36.70A.020(4);

32 (ii) The housing element requirements set forth in RCW 33 36.70A.070(2);

34 (iii) Any relevant rules adopted by the department;

35 (iv) Any relevant state environmental policy act requirements in 36 chapter 43.21C RCW;

37 (v) The county's or city's comprehensive plan, including the 38 housing element; or

1 (vi) The requirements related to transitional housing, permanent 2 supportive housing, emergency shelters, and emergency housing in RCW 3 35.21.683 and 35A.21.430.

4 (b) Within six months of the effective date of this section, the
5 department shall publish a defined set of minimum objective standards
6 that jurisdictions must meet in order to comply with this section.

7 (6) The department's final decision may be appealed according to8 the following provisions:

9 (a) The department's final decision may be appealed to the growth 10 management hearings board by filing a petition as provided in RCW 11 36.70A.290.

(b) A decision of the growth management hearings board concerning an appeal of the department's final decision must be based solely on whether the housing development regulations comply with the laws and regulations identified in subsection (5) of this section.

16 (7)(a) The department shall publish and regularly update a local 17 government compliance list that includes, at minimum, the following 18 information for each city or county subject to the requirements in 19 this section:

(i) Whether the city or county has applied for a determination ofcompliance and, if so, the date of the application; and

(ii) Whether the department has issued a final decision on compliance for the city or county and, if so, the nature of the decision, the date that the decision was issued, and the status or outcome of any appeals.

26 (b) The local government compliance list may also include the 27 following information:

(i) Whether a city or county has submitted its housing element
 for approval under section 2 of this act and, if so, the date of the
 application; and

31 (ii) Whether the department has issued a final decision on the 32 city's or county's application for housing element approval and, if 33 so, the nature of the decision, the date that the decision was 34 issued, and the status or outcome of any appeals.

35 (c) The local government compliance list must be made publicly 36 available on the department's website.

37 (8)(a) A city or county subject to the requirements in this 38 section may not deny an affordable or moderate-income housing 39 development, or approve an affordable or moderate-income housing 40 development with conditions or restrictions that have a substantial

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adverse impact on the viability of the development or the degree of affordability of the development, if the developer has agreed to enforceable restrictions committing to provide affordable or moderate-income housing development units for a minimum 50-year period, unless at least one of the following conditions is met:

6 (i) The city or county has received a final decision from the 7 department, the growth management hearings board, or a court of 8 competent jurisdiction determining that the relevant housing 9 development regulations cited in a denial comply with the laws and 10 regulations identified in subsection (5) of this section by the 11 deadlines in RCW 36.70A.130;

12 (ii) The denial of the affordable or moderate-income housing 13 development, or the approval of the affordable or moderate-income 14 housing development with conditions or restrictions that have a 15 substantial adverse impact on the viability of the development or the 16 degree of affordability of the development, is required in order to 17 comply with specific state or federal law;

18 (iii) The affordable or moderate-income housing development or 19 proposed development site is located outside an urban growth area, in 20 a critical area, critical area buffer, or in an area where 21 residential uses are not allowed by the applicable shoreline master 22 program;

(iv) The affordable or moderate-income housing development or proposed development site is located in an area where neither the local jurisdiction's comprehensive plan nor zoning ordinance permits residential or mixed uses; or

(v) The county or city has adopted an impact fee exemption for low-income housing as authorized by RCW 82.02.060 and the conditions for approval of the affordable or moderate-income housing development were adopted by ordinance prior to the date a complete application was submitted for land use or building permits for the affordable or moderate-income housing development.

33 (b) For the purposes of this subsection, "affordable or moderate-34 income housing development" means a residential housing development 35 where:

36 (i) At least 20 percent of the units are for rental housing with 37 monthly costs that do not exceed 30 percent of the monthly income of 38 a household whose income is at 60 percent of the median household 39 income adjusted for household size, for the county where the

1 household is located, as reported by the United States department of 2 housing and urban development;

3 (ii) At least 20 percent of the units are for owner-occupied 4 housing with monthly costs that do not exceed 30 percent of the 5 monthly income of a household whose income is at 80 percent of the 6 median household income adjusted for household size, for the county 7 where the household is located, as reported by the United States 8 department of housing and urban development;

9 (iii) All of the units are for rental housing with monthly costs 10 that do not exceed 30 percent of the monthly income of a household 11 whose income is at 100 percent of the median household income 12 adjusted for household size, for the county where the household is 13 located, as reported by the United States department of housing and 14 urban development; or

(iv) All of the units are for owner-occupied housing with monthly costs that do not exceed 30 percent of the monthly income of a household whose income is at 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(c) The county or city must require enforceable restrictions to ensure the measures of affordability in (b) of this subsection are met for a minimum 50-year period. The county or city must periodically audit compliance with the restrictions, or provide another mechanism to ensure the units committed to affordable or moderate-income housing meet the measures in (b) of this subsection during the agreed term.

28 (9) The department may adopt any rules necessary to implement 29 this section.

30 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 36.70A 31 RCW to read as follows:

(1) A county or city required to complete a housing element under RCW 36.70A.070(2) may submit the housing element to the department for approval. When submitted to the department for approval, the housing element becomes effective when approved by the department as provided in this section. Where the department has previously approved a county's or city's housing element, no further review or approval is required under this section except that any final action

1 to amend, repeal, or replace the housing element shall be subject to 2 review and approval under this section.

3 (2) Notice of intent to apply for approval. (a) Not less than 120 4 days prior to applying for approval of a housing element, the county 5 or city must notify the department in writing that it intends to 6 apply for approval.

7 (b) The department may consult with other relevant state agencies 8 in making its determination.

9 (c) The department shall publish notice in the Washington State 10 Register that a city or county has notified the department of its 11 intent to apply for approval and the department shall post a copy of 12 the notice on the department website.

(3) Procedures for an application for approval. (a) After taking final action to adopt a housing element, a city or county may apply to the department for approval. A city or county must submit its application to the department within 10 days of taking final action.

17 (b) An application for approval must include, at a minimum, the 18 following:

19 (i) A cover letter from the legislative authority requesting 20 approval;

(ii) A copy of the adopted ordinance or resolution taking the
 legislative action or actions required to adopt the housing element;

23 (iii) A statement explaining how the adopted housing element 24 complies with the provisions of this chapter; and

(iv) A copy of the record developed by the city or county at any public meetings or public hearings at which action was taken on the housing element.

(c) For purposes of this subsection, "action" and "meeting" havethe same definitions as in RCW 42.30.020.

(4) Approval procedures. (a) The department shall strive to
 achieve final action to approve or deny an application within 180
 days of the date of receipt of the application.

33 (b) The department must issue its decision in the form of a 34 written statement, including findings of fact and conclusions, and 35 noting the date of the issuance of its decision. The department's 36 issued decision must conspicuously and plainly state that it is the 37 department's final decision and that there will be no further 38 modifications to the proposed housing element.

39 (c) The department must promptly publish its decision on the 40 application for approval as follows:

(i) Notify the city or county in writing of its determination;

(ii) Publish a notice of action in the Washington State Register;

(iii) Post a notice of its decision on the agency website; and

4 (iv) Notify other relevant state agencies regarding the approval 5 decision.

6 (5)(a) The department shall approve a housing element unless it 7 determines that the housing element is not consistent with any of the 8 following:

9 (i) The housing planning goal set forth in RCW 36.70A.020(4);

10 (ii) The housing element requirements set forth in RCW 11 36.70A.070(2);

(iii) The requirements related to transitional housing, permanent supportive housing, emergency shelters, and emergency housing in RCW 35.21.683 and 35A.21.430;

15 (iv) Any relevant rules adopted by the department;

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16 (v) Any relevant state environmental policy act requirements in 17 chapter 43.21C RCW; or

18 (vi) The county's or city's comprehensive plan or future land use 19 map.

20 (b) Within six months of the effective date of this section, the 21 department shall publish a defined set of minimum objective standards 22 that jurisdictions must meet in order to comply with this section.

(6) The department's final decision to approve or reject a housing element may be appealed according to the following provisions:

(a) The department's final decision to approve or reject a
housing element may be appealed to the growth management hearings
board by filing a petition as provided in RCW 36.70A.290.

(b) A decision of the growth management hearings board concerning an appeal of the department's final decision to approve or reject a housing element must be based solely on whether or not the housing element complies with the laws and regulations identified in subsection (5) of this section.

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 Sec. 3.
 RCW 36.70A.280 and 2023 c 334 s 7, 2023 c 332 s 6, and

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 2023 c 228 s 7 are each reenacted and amended to read as follows:

36 (1) The growth management hearings board shall hear and determine 37 only those petitions alleging either:

(a) That, except as provided otherwise by this subsection, astate agency, county, or city planning under this chapter is not in

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1 compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or 2 amendments thereto, or chapter 43.21C RCW as it relates to plans, 3 development regulations, or amendments, adopted under RCW 36.70A.040 4 or chapter 90.58 RCW. Nothing in this subsection authorizes the board 5 6 to hear petitions alleging noncompliance based on a city or county's 7 actions taken to implement the requirements of RCW 36.70A.680 and 36.70A.681 within an urban growth area; 8

9 (b) That the 20-year growth management planning population 10 projections adopted by the office of financial management pursuant to 11 RCW 43.62.035 should be adjusted;

12 (c) That the approval of a work plan adopted under RCW 13 36.70A.735(1)(a) is not in compliance with the requirements of the 14 program established under RCW 36.70A.710;

(d) That regulations adopted under RCW 36.70A.735(1)(b) are not regionally applicable and cannot be adopted, wholly or partially, by another jurisdiction;

18 (e) That a department certification under RCW 36.70A.735(1)(c) is 19 erroneous;

20 (f) That the department's final decision to approve or reject a 21 proposed greenhouse gas emissions reduction subelement or amendments 22 by a local government planning under RCW 36.70A.040 was not in 23 compliance with the joint guidance issued by the department pursuant 24 to RCW 70A.45.120; ((or))

(g) That the department's final decision to approve or reject actions by a city implementing RCW 36.70A.635 is clearly erroneous; or

28 (h) That the department's final decision on any housing 29 development regulations subject to the requirements in section 1 of 30 this act or any housing element submitted to the department for 31 approval under section 2 of this act is clearly erroneous.

(2) A petition may be filed only by: (a) The state, or a county or city that plans under this chapter; (b) a person who has participated orally or in writing before the county or city regarding the matter on which a review is being requested; (c) a person who is certified by the governor within 60 days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.

38 (3) For purposes of this section "person" means any individual,
 39 partnership, corporation, association, state agency, governmental

subdivision or unit thereof, or public or private organization or
 entity of any character.

3 (4) To establish participation standing under subsection (2)(b) 4 of this section, a person must show that his or her participation 5 before the county or city was reasonably related to the person's 6 issue as presented to the board.

7 (5) When considering a possible adjustment to a growth management 8 planning population projection prepared by the office of financial 9 management, the board shall consider the implications of any such 10 adjustment to the population forecast for the entire state.

11 The rationale for any adjustment that is adopted by the board 12 must be documented and filed with the office of financial management 13 within ten working days after adoption.

If adjusted by the board, a county growth management planning population projection shall only be used for the planning purposes set forth in this chapter and shall be known as the "board adjusted population projection." None of these changes shall affect the official state and county population forecasts prepared by the office of financial management, which shall continue to be used for state budget and planning purposes.

21 Sec. 4. RCW 36.70A.290 and 2011 c 277 s 1 are each amended to 22 read as follows:

(1) All requests for review to the growth management hearings board shall be initiated by filing a petition that includes a detailed statement of issues presented for resolution by the board. The board shall render written decisions articulating the basis for its holdings. The board shall not issue advisory opinions on issues not presented to the board in the statement of issues, as modified by any prehearing order.

30 (2) All petitions relating to whether or not an adopted 31 comprehensive plan, development regulation, or permanent amendment 32 thereto, is in compliance with the goals and requirements of this 33 chapter or chapter 90.58 or 43.21C RCW must be filed within sixty 34 days after publication as provided in (a) through ((-+)) (d) of this 35 subsection.

36 (a) Except as provided in (c) <u>and (d)</u> of this subsection, the 37 date of publication for a city shall be the date the city publishes 38 the ordinance, or summary of the ordinance, adopting the

comprehensive plan or development regulations, or amendment thereto,
 as is required to be published.

3 (b) Promptly after adoption, a county shall publish a notice that 4 it has adopted the comprehensive plan or development regulations, or 5 amendment thereto.

Except as provided in (c) <u>and (d)</u> of this subsection, for purposes of this section the date of publication for a county shall be the date the county publishes the notice that it has adopted the comprehensive plan or development regulations, or amendment thereto.

(c) For local governments planning under RCW 36.70A.040, promptly 10 after approval or disapproval of a local government's shoreline 11 12 master program or amendment thereto by the department of ecology as provided in RCW 90.58.090, the department of ecology shall publish a 13 notice that the shoreline master program or amendment thereto has 14 been approved or disapproved. For purposes of this section, the date 15 16 of publication for the adoption or amendment of a shoreline master 17 program is the date the department of ecology publishes notice that 18 the shoreline master program or amendment thereto has been approved 19 or disapproved.

(d) For purposes of this section, the date of publication for a 20 housing element submitted to the department for approval under 21 section 2 of this act is the date the department publishes its 22 approval decision in the Washington State Register or on the 23 department's website, whichever is later. The date of publication for 24 25 any housing development regulations subject to the determination of compliance requirements in section 1 of this act is the date the 26 27 department publishes its final decision determining compliance in the 28 Mashington State Register or on the department's website, whichever 29 is later.

30 (3) <u>All petitions relating to whether the department's final</u> 31 <u>decision on a housing element under section 1 of this act or any</u> 32 <u>housing development regulations under section 2 of this act are</u> 33 <u>clearly erroneous must be filed within 60 days after the department</u> 34 <u>publishes its final decision in the Washington State Register or on</u> 35 <u>the department's website, whichever is later.</u>

36 <u>(4)</u> Unless the board dismisses the petition as frivolous or finds 37 that the person filing the petition lacks standing, or the parties 38 have filed an agreement to have the case heard in superior court as 39 provided in RCW 36.70A.295, the board shall, within ten days of 40 receipt of the petition, set a time for hearing the matter.

1 (((4))) <u>(5)</u> The board shall base its decision on the record 2 developed by the city, county, or the state and supplemented with 3 additional evidence if the board determines that such additional 4 evidence would be necessary or of substantial assistance to the board 5 in reaching its decision.

6 (((5))) <u>(6)</u> The board, shall consolidate, when appropriate, all 7 petitions involving the review of the same comprehensive plan or the 8 same development regulation or regulations.

9 Sec. 5. RCW 36.70A.320 and 2023 c 228 s 8 are each amended to 10 read as follows:

(1) Except as provided in subsections (5) ((and (6))) through (7) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.

15 (2) Except as otherwise provided in subsection (4) of this 16 section, the burden is on the petitioner to demonstrate that any 17 action taken by a state agency, county, or city under this chapter is 18 not in compliance with the requirements of this chapter.

(3) In any petition under this chapter, the board, after full 19 20 consideration of the petition, shall determine whether there is 21 compliance with the requirements of this chapter. In making its 22 determination, the board shall consider the criteria adopted by the department under RCW 36.70A.190(4). The board shall find compliance 23 24 unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the 25 board and in light of the goals and requirements of this chapter. 26

27 (4) A county or city subject to a determination of invalidity made under RCW 36.70A.300 or 36.70A.302 has the burden 28 of demonstrating that the ordinance or resolution it has enacted in 29 30 response to the determination of invalidity will no longer 31 substantially interfere with the fulfillment of the goals of this chapter under the standard in RCW 36.70A.302(1). 32

33 (5) The shoreline element of a comprehensive plan and the 34 applicable development regulations adopted by a county or city shall 35 take effect as provided in chapter 90.58 RCW.

36 (6) The greenhouse gas emissions reduction subelement required by
 37 RCW 36.70A.070 shall take effect as provided in RCW 36.70A.096.

38(7) The housing element required by RCW 36.70A.070(2) takes39effect as provided in section 2(1) of this act. Any housing

1 development regulations subject to the requirements in section 1 of

2 this act take effect as provided in section 1(1) of this act.

3 Sec. 6. RCW 36.70A.130 and 2023 c 280 s 1 and 2023 c 228 s 15 4 are each reenacted and amended to read as follows:

5 (1) (a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by 6 the county or city that adopted them. Except as otherwise provided, a 7 county or city shall take legislative action to review and, if 8 needed, revise its comprehensive land use plan and development 9 regulations to ensure the plan and regulations comply with the 10 11 requirements of this chapter according to the deadlines in subsections (4) and (5) of this section. 12

(b) (i) A city or town located within (([a])) <u>a</u> county planning under RCW 36.70A.040 may opt out of a full review and revisions of its comprehensive plan established in this section if the city or town meets the following criteria:

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(A) Has a population fewer than 500;

18 (B) Is not located within 10 miles of a city with a population 19 over 100,000;

20 (C) Experienced a population growth rate of fewer than 10 percent 21 in the preceding 10 years; and

(D) Has provided the department with notice of its intent to participate in a partial review and revision of its comprehensive plan.

(ii) The department shall review the population growth rate for a city or town participating in the partial review and revision of its comprehensive plan process at least three years before the periodic update is due as outlined in subsection (4) of this section and notify cities of their eligibility.

30 (iii) A city or town that opts out of a full review and revision 31 of its comprehensive plan must update its critical areas regulations 32 and its capital facilities element and its transportation element.

33 (c) Except as otherwise provided, a county or city not planning 34 under RCW 36.70A.040 shall take action to review and, if needed, 35 revise its policies and development regulations regarding critical 36 areas and natural resource lands adopted according to this chapter to 37 ensure these policies and regulations comply with the requirements of 38 this chapter according to the deadlines in subsections (4) and (5) of 39 this section. Legislative action means the adoption of a resolution 1 or ordinance following notice and a public hearing indicating at a 2 minimum, a finding that a review and evaluation has occurred and 3 identifying the revisions made, or that a revision was not needed and 4 the reasons therefor.

5 (d) The review and evaluation required by this subsection shall 6 include, but is not limited to, consideration of critical area 7 ordinances and, if planning under RCW 36.70A.040, an analysis of the 8 population allocated to a city or county from the most recent 10-year 9 population forecast by the office of financial management.

10 (e) Any amendment of or revision to a comprehensive land use plan 11 shall conform to this chapter. Any amendment of or revision to 12 development regulations shall be consistent with and implement the 13 comprehensive plan.

14 (2) (a) Each county and city shall establish and broadly disseminate to the public a public participation program consistent 15 with RCW 36.70A.035 and 36.70A.140 that identifies procedures and 16 17 schedules whereby updates, proposed amendments, or revisions of the comprehensive plan are considered by the governing body of the county 18 or city no more frequently than once every year. "Updates" means to 19 review and revise, if needed, according to subsection (1) of this 20 21 section, and the deadlines in subsections (4) and (5) of this section or in accordance with the provisions of subsection (6) of this 22 section. Amendments may be considered more frequently than once per 23 year under the following circumstances: 24

(i) The initial adoption of a subarea plan. Subarea plans adopted under this subsection (2)(a)(i) must clarify, supplement, or implement jurisdiction-wide comprehensive plan policies, and may only be adopted if the cumulative impacts of the proposed plan are addressed by appropriate environmental review under chapter 43.21C RCW;

(ii) The development of an initial subarea plan for economic development located outside of the 100 year floodplain in a county that has completed a state-funded pilot project that is based on watershed characterization and local habitat assessment;

35 (iii) The adoption or amendment of a shoreline master program 36 under the procedures set forth in chapter 90.58 RCW;

37 (iv) The amendment of the capital facilities element of a 38 comprehensive plan that occurs concurrently with the adoption or 39 amendment of a county or city budget; ((or))

1 (v) The adoption of comprehensive plan amendments necessary to 2 enact a planned action under RCW 43.21C.440, provided that amendments 3 are considered in accordance with the public participation program 4 established by the county or city under this subsection (2)(a) and 5 all persons who have requested notice of a comprehensive plan update 6 are given notice of the amendments and an opportunity to comment; or

7 <u>(vi) The adoption of any housing element amendments necessary to</u> 8 <u>receive an approval decision under section 2 of this act, and the</u> 9 <u>adoption or amendment of any housing development regulations as</u> 10 <u>necessary to receive a determination of compliance under section 1 of</u> 11 <u>this act</u>.

12 (b) Except as otherwise provided in (a) of this subsection, all proposals shall be considered by the governing body concurrently so 13 the cumulative effect of the various proposals can be ascertained. 14 However, after appropriate public participation a county or city may 15 16 adopt amendments or revisions to its comprehensive plan that conform 17 with this chapter whenever an emergency exists or to resolve an 18 appeal of a comprehensive plan filed with the growth management 19 hearings board or with the court.

(3) (a) Each county that designates urban growth areas under RCW 20 21 36.70A.110 shall review, according to the schedules established in subsections (4) and (5) of this section, its designated urban growth 22 area or areas, patterns of development occurring within the urban 23 growth area or areas, and the densities permitted within both the 24 25 incorporated and unincorporated portions of each urban growth area. 26 In conjunction with this review by the county, each city located within an urban growth area shall review the densities permitted 27 within its boundaries, and the extent to which the urban growth 28 occurring within the county has located within each city and the 29 unincorporated portions of the urban growth areas. 30

(b) The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the comprehensive plans of the county and each city located within the urban growth areas, shall be revised to accommodate the urban growth projected to occur in the county for the succeeding 20-year period. The review required by this subsection may be combined with the review and evaluation required by RCW 36.70A.215.

38 (c) If, during the county's review under (a) of this subsection, 39 the county determines revision of the urban growth area is not 40 required to accommodate the urban growth projected to occur in the

1 county for the succeeding 20-year period, but does determine that 2 patterns of development have created pressure in areas that exceed 3 available, developable lands within the urban growth area, the urban 4 growth area or areas may be revised to accommodate identified 5 patterns of development and likely future development pressure for 6 the succeeding 20-year period if the following requirements are met:

7 (i) The revised urban growth area may not result in an increase 8 in the total surface areas of the urban growth area or areas;

9 (ii) The areas added to the urban growth area are not or have not 10 been designated as agricultural, forest, or mineral resource lands of 11 long-term commercial significance;

12 (iii) Less than 15 percent of the areas added to the urban growth 13 area are critical areas;

14 (iv) The areas added to the urban growth areas are suitable for 15 urban growth;

16 (v) The transportation element and capital facility plan element 17 have identified the transportation facilities, and public facilities 18 and services needed to serve the urban growth area and the funding to 19 provide the transportation facilities and public facilities and 20 services;

(vi) The urban growth area is not larger than needed to accommodate the growth planned for the succeeding 20-year planning period and a reasonable land market supply factor;

(vii) The areas removed from the urban growth area do not include urban growth or urban densities; and

26 (viii) The revised urban growth area is contiguous, does not 27 include holes or gaps, and will not increase pressures to urbanize 28 rural or natural resource lands.

(4) Except as otherwise provided in subsections (6) and (8) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

(a) On or before June 30, 2015, for King, Pierce, and Snohomish
 counties and the cities within those counties;

(b) On or before June 30, 2016, for Clallam, Clark, Island,
 Jefferson, Kitsap, Mason, San Juan, Skagit, Thurston, and Whatcom
 counties and the cities within those counties;

1 (c) On or before June 30, 2017, for Benton, Chelan, Cowlitz, 2 Douglas, Kittitas, Lewis, Skamania, Spokane, and Yakima counties and 3 the cities within those counties; and

(d) On or before June 30, 2018, for Adams, Asotin, Columbia,
Ferry, Franklin, Garfield, Grant, Grays Harbor, Klickitat, Lincoln,
Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and
Whitman counties and the cities within those counties.

8 (5) Except as otherwise provided in subsections (6) ((and)), (8), 9 and (11) of this section, following the review of comprehensive plans 10 and development regulations required by subsection (4) of this 11 section, counties and cities shall take action to review and, if 12 needed, revise their comprehensive plans and development regulations 13 to ensure the plan and regulations comply with the requirements of 14 this chapter as follows:

(a) Except as provided in subsection (10) of this section, on or before December 31, 2024, with the following review and, if needed, revision on or before June 30, 2034, and then every 10 years thereafter, for King, Kitsap, Pierce, and Snohomish counties and the cities within those counties;

20 (b) On or before June 30, 2025, and every 10 years thereafter, 21 for Clallam, Clark, Island, Jefferson, Lewis, Mason, San Juan, 22 Skagit, Thurston, and Whatcom counties and the cities within those 23 counties;

(c) On or before June 30, 2026, and every 10 years thereafter,
for Benton, Chelan, Cowlitz, Douglas, Franklin, Kittitas, Skamania,
Spokane, Walla Walla, and Yakima counties and the cities within those
counties; and

(d) On or before June 30, 2027, and every 10 years thereafter,
for Adams, Asotin, Columbia, Ferry, Garfield, Grant, Grays Harbor,
Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens,
Wahkiakum, and Whitman counties and the cities within those counties.

32 (6) (a) Nothing in this section precludes a county or city from 33 conducting the review and evaluation required by this section before 34 the deadlines established in subsections (4) and (5) of this section. 35 Counties and cities may begin this process early and may be eligible 36 for grants from the department, subject to available funding, if they 37 elect to do so.

38 (b) A county that is subject to a deadline established in 39 subsection (5)(b) through (d) of this section and meets the following 40 criteria may comply with the requirements of this section at any time

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within the 24 months following the deadline established in subsection (5) of this section: The county has a population of less than 50,000 and has had its population increase by no more than 17 percent in the 10 years preceding the deadline established in subsection (5) of this section as of that date.

6 (c) A city that is subject to a deadline established in subsection (5)(b) through (d) of this section and meets the following 7 criteria may comply with the requirements of this section at any time 8 within the 24 months following the deadline established in subsection 9 (5) of this section: The city has a population of no more than 5,000 10 11 and has had its population increase by the greater of either no more 12 than 100 persons or no more than 17 percent in the 10 years preceding the deadline established in subsection (5) of this section as of that 13 14 date.

15 (d) State agencies are encouraged to provide technical assistance 16 to the counties and cities in the review of critical area ordinances, 17 comprehensive plans, and development regulations.

18 (7)(((-(a))) The requirements imposed on counties and cities under 19 this section shall be considered "requirements of this chapter" under 20 the terms of RCW 36.70A.040(1). Only those counties and cities that 21 meet the following criteria may receive grants, loans, pledges, or 22 financial guarantees under chapter 43.155 or 70A.135 RCW:

23 (((i) Complying)) (a) The county or city is in compliance with 24 the deadlines in this section; ((or

25 (ii) Demonstrating)) (b) The county or city demonstrates 26 substantial progress towards compliance with the schedules in this 27 section for development regulations that protect critical areas. 28 (((b) A)) For purposes of this subsection (7)(b), a county or city that is fewer than 12 months out of compliance with the schedules in 29 this section for development regulations that protect critical areas 30 31 making substantial progress towards compliance. Only those is counties and cities in compliance with the schedules in this section 32 33 may receive preference for grants or loans subject to the provisions of RCW 43.17.250; 34

35 <u>(c) The county or city demonstrates substantial progress towards</u> 36 <u>compliance with the deadlines in this section for any housing</u> 37 <u>development regulations subject to the requirements in section 1 of</u> 38 <u>this act. For purposes of this subsection (7)(c), a county or city</u> 39 <u>demonstrates substantial progress towards compliance if the county or</u> 40 city satisfies the requirements in section 1 (2) and (3) of this act

1 related to the notice of intent to apply and the application procedures, but the department has not yet issued a final decision on 2 the application. A county or city is eligible for grants, loans, 3 pledges, or financial guarantees under this subsection until the 4 department, the growth management hearings board, or a court of 5 6 competent jurisdiction issues a final decision determining that the county's or city's housing development regulations are not in 7 compliance with the laws and regulations identified in section 1(5) 8 of this act. Only those counties and cities that have received a 9 10 final decision from the department, the growth management hearings board, or a court of competent jurisdiction determining that their 11 12 housing development regulations comply with the laws and regulations 13 identified in section 1(5) of this act may receive preference for grants or loans subject to the provisions of RCW 43.17.250; or 14

15 (d) The county or city demonstrates substantial progress towards compliance with the deadlines in this section for any housing element 16 17 submitted to the department for approval under section 2 of this act. For purposes of this subsection (7)(d), a county or city demonstrates 18 substantial progress towards compliance if the county or city 19 satisfies the requirements in section 2 (2) and (3) of this act 20 related to the notice of intent to apply and the application 21 22 procedures, but the department has not yet issued a final decision on 23 the application. A county or city is eligible for grants, loans, 24 pledges, or financial guarantees under this subsection until the 25 department, the growth management hearings board, or a court of competent jurisdiction issues a final decision determining that the 26 27 county's or city's housing element is not in compliance with the laws 28 and regulations identified in section 2(5) of this act.

(8) (a) Except as otherwise provided in (c) of this subsection, if a participating watershed is achieving benchmarks and goals for the protection of critical areas functions and values, the county is not required to update development regulations to protect critical areas as they specifically apply to agricultural activities in that watershed.

35 (b) A county that has made the election under RCW 36.70A.710(1) 36 may only adopt or amend development regulations to protect critical 37 areas as they specifically apply to agricultural activities in a 38 participating watershed if:

39 (i) A work plan has been approved for that watershed in 40 accordance with RCW 36.70A.725;

(ii) The local watershed group for that watershed has requested
 the county to adopt or amend development regulations as part of a
 work plan developed under RCW 36.70A.720;

4 (iii) The adoption or amendment of the development regulations is 5 necessary to enable the county to respond to an order of the growth 6 management hearings board or court;

7 (iv) The adoption or amendment of development regulations is 8 necessary to address a threat to human health or safety; or

9 (v) Three or more years have elapsed since the receipt of 10 funding.

11 (c) Beginning 10 years from the date of receipt of funding, a county that has made the election under RCW 36.70A.710(1) must review 12 and, if necessary, revise development regulations to protect critical 13 areas as they specifically apply to agricultural activities in a 14 participating watershed in accordance with the review and revision 15 16 requirements and timeline in subsection (5) of this section. This 17 subsection (8)(c) does not apply to a participating watershed that has determined under RCW 36.70A.720(2)(c)(ii) that the watershed's 18 19 goals and benchmarks for protection have been met.

(9) (a) Counties subject to planning deadlines established in 20 21 subsection (5) of this section that are required or that choose to 22 plan under RCW 36.70A.040 and that meet either criteria of (a)(i) or (ii) of this subsection, and cities with a population of more than 23 6,000 as of April 1, 2021, within those counties, must provide to the 24 25 department an implementation progress report detailing the progress they have achieved in implementing their comprehensive plan five 26 years after the review and revision of their comprehensive plan. Once 27 a county meets the criteria in (a)(i) or (ii) of this subsection, the 28 29 implementation progress report requirements remain in effect thereafter for that county and the cities therein with populations 30 31 greater than 6,000 as of April 1, 2021, even if the county later no longer meets either or both criteria. A county is subject to the 32 implementation progress report requirement if it meets either of the 33 following criteria on or after April 1, 2021: 34

35 (i) The county has a population density of at least 100 people 36 per square mile and a population of at least 200,000; or

(ii) The county has a population density of at least 75 people per square mile and an annual growth rate of at least 1.75 percent as determined by the office of financial management.

1 (b) The department shall adopt guidelines for indicators, 2 measures, milestones, and criteria for use by counties and cities in 3 the implementation progress report that must cover:

4 (i) The implementation of previously adopted changes to the 5 housing element and any effect those changes have had on housing 6 affordability and availability within the jurisdiction;

7

(ii) Permit processing timelines; and

8 (iii) Progress toward implementing any actions required to 9 achieve reductions to meet greenhouse gas and vehicle miles traveled 10 requirements as provided for in any element of the comprehensive plan 11 under RCW 36.70A.070.

12 (c) If a city or county required to provide an implementation progress report under this subsection (9) has not implemented any 13 specifically identified regulations, zoning and land use changes, or 14 15 taken other legislative or administrative action necessary to 16 implement any changes in the most recent periodic update in their 17 comprehensive plan by the due date for the implementation progress report, the city or county must identify the need for such action in 18 19 the implementation progress report. Cities and counties must adopt a work plan to implement any necessary regulations, zoning and land use 20 legislative or administrative action 21 changes, or take other 22 identified in the implementation progress report and complete all 23 work necessary for implementation within two years of submission of the implementation progress report. 24

(10) Any county or city that is required by RCW 36.70A.095 to 25 include in its comprehensive plan a climate change and resiliency 26 27 element and that is also required by subsection (5)(a) of this 28 section to review and, if necessary, revise its comprehensive plan on or before December 31, 2024, must update its transportation element 29 and incorporate a climate change and resiliency element into its 30 31 comprehensive plan as part of the first implementation progress 32 report required by subsection (9) of this section if funds are appropriated and distributed by December 31, 2027, as required under 33 RCW 36.70A.070(10). 34

35 (11) For any housing element submitted to the department for 36 approval under section 2 of this act, a county or city is in 37 compliance with the deadlines in subsection (5) of this section if it 38 timely applies for approval under section 2(3) of this act. For any 39 housing development regulations subject to the requirements in 40 section 1 of this act a county or city is in compliance with the

1 deadlines in subsection (5) of this section if it timely applies for

2 <u>approval under section 1(3) of this act.</u>

3 Sec. 7. RCW 43.21C.495 and 2023 c 334 s 6 and 2023 c 332 s 8 are 4 each reenacted and amended to read as follows:

5 (1) Adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by 6 a city to implement: The actions specified in section 2, chapter 246, 7 Laws of 2022 unless the adoption of such ordinances, development 8 regulations and amendments to such regulations, or other nonproject 9 10 actions has a probable significant adverse impact on fish habitat; 11 and the increased residential building capacity actions identified in RCW 36.70A.600(1), with the exception of the action specified in RCW 12 13 36.70A.600(1)(f), are not subject to administrative or judicial appeals under this chapter. 14

15 (2) Amendments to development regulations and other nonproject 16 actions taken by a city to implement the requirements under RCW 17 36.70A.635 pursuant to RCW 36.70A.636(3)(b) are not subject to 18 administrative or judicial appeals under this chapter.

19 (3) Adoption of ordinances, development regulations and 20 amendments to such regulations, and other nonproject actions taken by 21 a city or county consistent with the requirements of RCW 36.70A.680 22 and 36.70A.681 are not subject to administrative or judicial appeals 23 under this chapter.

24 <u>(4) Adoption of ordinances, development regulations and</u> 25 <u>amendments to such regulations, and other nonproject actions by a</u> 26 <u>city or county to implement the housing element requirements set</u> 27 <u>forth in RCW 36.70A.070(2) are not subject to administrative or</u> 28 <u>judicial appeals under this chapter.</u>

29 <u>NEW SECTION.</u> Sec. 8. This act may be known and cited as the 30 housing accountability act.

31 <u>NEW SECTION.</u> Sec. 9. If specific funding for the purposes of 32 this act, referencing this act by bill or chapter number, is not 33 provided by June 30, 2024, in the omnibus appropriations act, this 34 act is null and void.

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