
Local Government Committee

HB 1695

Brief Description: Concerning unincorporated villages in the growth management act.

Sponsors: Representatives Engell, Klicker and Schmidt.

Brief Summary of Bill

- Removes restrictions on the size, scale, use, and intensity of buildings applicable to certain limited areas of more intensive rural development under certain conditions, and allows for the extension of urban government services to those areas if the services are financially supportable and do not permit urban development.

Hearing Date: 2/12/25

Staff: Kellen Wright (786-7134).

Background:

The Growth Management Act.

The Growth Management Act (GMA) requires that certain counties, and the cities within those counties, engage in planning for future population growth. Counties that have a population of 50,000 or more and, prior to May 16, 1995, had its population grow by 10 percent or more in the prior 10 years, or, after May 16, 1995, by 17 percent or more in the prior 10 years, are covered by the GMA. So, too, is any county that experiences population growth of 20 percent over a 10-year period. Counties with populations under 50,000, that would otherwise be required to plan, can remove themselves from the GMA's comprehensive planning requirements. Conversely, counties that do not meet the standards for automatic inclusion in the GMA may choose to be included.

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.

Currently, 18 counties are required to plan, 10 have chosen to plan, and 11 are not subject to the full GMA planning requirements.

Within 14 months of a county initially becoming subject to the GMA's requirements, a county must adopt a countywide planning policy in consultation with the cities within the county. Countywide planning policies must address urban growth areas, policies to promote orderly development, policies for siting state or countywide capital facilities, policies and strategies for countywide transportation, policies considering the need for affordable housing, policies for countywide economic development, policies addressing the protection of tribal cultural resources in collaboration with federally recognized Indian tribes that have a reservation or ceded lands within the county, and the fiscal impact of these policies.

Planning Requirements.

Whether a county is automatically required to plan under the GMA or voluntarily chooses to, the planning requirements are largely the same, and the comprehensive plan is the centerpiece of the process. The Legislature has established 14 goals to act as the basis of all comprehensive plans. Examples of goals include 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.

While comprehensive plans generally cover the whole jurisdiction, smaller areas may be subject to subarea plans. Subarea plans are optional and, if adopted, must clarify, supplement, or implement the local government's comprehensive plan. A subarea plan may only be adopted if the cumulative impact of the plan is reviewed under the State Environmental Policy Act.

Comprehensive plans are required to be updated every 10 years and must contain certain elements, such as a land use element, a housing element, and a capital facilities plan. These elements must satisfy the requirements for each individual element while fitting within the overall comprehensive plan.

One element of a comprehensive plan that is applicable to both counties and cities is the capital facilities element. This element consists of an inventory of existing capital facilities owned by public entities showing the location and capacity of the facilities, a forecast of the future need for such facilities and the proposed locations of new or expanded facilities, and a six-year funding plan for the facilities. If funding appears as if it will fall short of this projection, the local government must reassess its capital facilities plan element.

Another required element, and one that applies only to counties, is the rural element. This element covers rural development and must allow for a variety of rural densities, uses, essential public facilities, and rural government services. At the same time, it must include measures to protect the rural character of an area. Measures to protect this character include containing or controlling rural development, assuring visual compatibility of development with the

surrounding rural area, reducing the conversion of undeveloped land into low-density development, protecting critical areas, and protecting against conflicts with agricultural, forest, and mineral resource lands.

Urban Growth Areas and Urban Government Services.

The antithesis of a rural area is an urban growth area. An urban growth area is an area in which there is such intensive use of the land for buildings, structures, and impermeable surfaces that the land cannot be used primarily for agriculture, natural resources, or for rural uses. Within a designated urban growth area, urban growth must be encouraged. Outside of a designated urban growth area, urban growth must be prohibited. Counties planning under the GMA are required to designate urban growth areas, and each city within such a county must be included in an urban growth area. Urban growth areas must be periodically revised in order to accommodate the urban growth that is projected to occur over the next 20 years.

Generally, urban government services such as storm and sewer systems, domestic water, street cleaning, public transit, fire and police, and other public utilities may only be provided within a city, and cannot be extended into rural area unless necessary to protect basic public health and safety, and when financially supportable at rural densities without permitting urban development.

When water and sewer services are provided, they can be provided by cities, or by special purpose districts such as water-sewer districts.

Limited Areas of More Intensive Rural Development.

When the GMA was first adopted, there were existing areas of more intensive development within rural areas that were not incorporated within urban growth areas. These rural areas, and the necessary public facilities and services serving them, were accommodated within the rural element of the comprehensive plan through the allowance for limited areas of more intensive rural development (LAMIRDs).

There are three types of LAMIRDs. The first type, and the most relevant here, is the infill, development, or redevelopment of an existing commercial, industrial, residential, or mixed-use areas, including areas characterized as hamlets, crossroads, or villages. Development or redevelopment (development), other than in an industrial area or of an industrial use, must be designed to principally serve the existing and projected rural population. Any development in terms of building size, scale, use, or intensity is subject to confirmation from service providers that there is sufficient capacity to meet any new demand from the development. Development can include changes from vacant land or from a prior use, as long as the changes are consistent with the local character.

Commercial development within a mix-use area must also comply with restrictions on the size of the development. For retail or food service in a location that previously included the same or a similar use, this means that the new development cannot exceed the footprint of the previously occupied space or 5,000 square feet, whichever is greater. For a new retail or food service use,

the area may not exceed 2,500 square feet. Both of these limits are increased to a maximum of 10,000 square feet, or the size of the previously occupied space if the prior use was similar and the space it occupied was more than 10,000 square feet, when the space is for an essential rural service and the location of the LAMIRD is more than 10 miles from an urban growth area. Essential rural services are those that sell or provide products necessary for health and safety, such as food or medicine, and products to maintain mobility.

A second type of a LAMIRD is the intensification or development of small-scale recreational or tourist uses that rely on a rural setting. These uses cannot include new residential development, and public services and facilities must be limited to those necessary to serve the recreational or tourist use and cannot be provided in a way that permits low-density sprawl.

A third type of a LAMIRD is the intensification of development on lots containing isolated cottage industries or small-scale businesses that are not designed to principally serve the existing and projected rural population, but that do provide rural job opportunities. The expansion of these small-scale businesses can be allowed as long as they conform to the rural character of the area. Any public services and facilities must be limited to those needed to serve the businesses and cannot be provided in a manner that permits low-density sprawl.

A county is required to adopt measures to minimize and contain areas of more intensive rural development within existing areas of development, and lands included within a LAMIRD must not extend past the logical boundary of the area. An existing area is a clearly identifiable area based on the built environment that was in place at the time that the county became subject to the requirements of the GMA. A county is required to establish the logical outer boundary of existing intensive rural development based on the need to preserve the character of existing communities; on physical boundaries such as bodies of water, streets, and land forms; on the prevention of abnormally irregular boundaries; on the ability to provide public facilities; and on the ability to provide public facilities and services in a way that does not permit low-density sprawl.

Summary of Bill:

Development within an existing area that was previously characterized as a town, village, or hamlet, but which has never been incorporated, is not limited by restrictions on the size, scale, use, or intensity of buildings that are applicable to the first type of a LAMIRD, if the county in which it is located:

- adopts a subarea plan that is not larger than the logical outer boundary of the area, including undeveloped platted lots, sewer district boundaries, and water system boundaries;
- allocates a portion of the projected rural 20-year population and housing to the subarea;
- amends the capital facilities element of its comprehensive plan to demonstrate adequate public facilities and services over the planning period; and
- complies with countywide planning policies.

Urban government services may be extended to such an area when they are financially supportable at rural densities and do not permit urban development.

Appropriation: None.

Fiscal Note: Requested on January 31, 2025.

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