

SENATE BILL REPORT

ESB 5559

As Amended by House, April 10, 2025

Title: An act relating to streamlining the subdivision process inside urban growth areas.

Brief Description: Streamlining the subdivision process inside urban growth areas.

Sponsors: Senators Lovelett, Nobles and Trudeau.

Brief History:

Committee Activity: Local Government: 2/03/25, 2/13/25 [DP].

Floor Activity: Passed Senate: 2/28/25, 48-0.

Passed House: 4/10/25, 95-0.

Brief Summary of Engrossed Bill

- Requires cities and towns fully planning under GMA to adopt or enact procedures for unit lot subdivisions by certain deadlines, and sets specific requirements for the procedures.
- Establishes that, if cities or towns have not adopted or enacted procedures for unit lot subdivisions, they may not decline to process a unit lot subdivision application consistent with the procedural requirements.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Salomon, Chair; Lovelett, Vice Chair; Torres, Ranking Member; Bateman and Goehner.

Staff: Karen Epps (786-7424)

Background: The process by which land divisions may occur is governed by state and

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local requirements. Local governments must adopt associated ordinances and procedures in conformity with state requirements.

Subdivisions. Subdivisions are the divisions or redivisions of land into five or more lots, tracts, parcels, sites, or divisions for the purpose of sale, lease, or transfer of ownership.

Short subdivisions are the division or redivision of land into four or fewer lots, tracts, parcels, sites, or divisions for the purpose of sale, lease, or transfer of ownership. Any city or town may increase the number of lots that can be regulated as short subdivisions up to a maximum of nine. Counties planning under the Growth Management Act (GMA) may do the same with respect to unincorporated land within an urban growth area.

Unit lot subdivision refers to the division of a parent lot into separately owned unit lots. Local governments must include in their short plat regulations procedures for unit lot subdivisions allowing division of a parent lot into separately owned unit lots. Portions of the parent lot not subdivided for individual unit lots must be owned in common by the owners of the individual unit lots, or by a homeowners' association comprised of the owners of the individual unit lots.

Growth Management Act. The 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 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.

Summary of Engrossed Bill: All cities and towns fully planning under the GMA must adopt or enact procedures for unit lot subdivisions. Cities planning under the GMA that are required to submit their next comprehensive plan update in 2027 must adopt or enact procedures for unit lot subdivisions at the same time as their next comprehensive plan update. All other cities must adopt or enact procedures for unit lot subdivisions within two years of the bill's effective date. After these deadlines, a city or town that has not adopted or enacted procedures may not decline to process an application for a unit lot subdivision, consistent with the procedural requirements, solely because that city or town has not adopted or enacted the procedures.

These procedures must include, at a minimum, the requirement that prominent informational notes be placed on the unit lot subdivision's plat, and recorded in the county or counties in which the land is located, to acknowledge each of the following:

- approval of the design and layout of the unit lot's housing development project was granted based on detailed review of that specified project on the parent lot;
- subsequent subdivision actions to the unit lot housing development project's structures may not create or increase any nonconformity of the parent lot and must conform to the approved unit lot housing development project or to the land use and development standards in effect at the time of the proposed actions;

- if a structure or portion of a structure within the unit lot housing development project has been damaged or destroyed, any repair or replacement must conform to the approved unit lot housing development project or to the land use and development standards in effect at the time the proposed repair or replacement project's permit application becomes vested; and
- additional development or redevelopment of the individual unit lots may be limited based on the application of the development standards to the parent lot.

These procedures must also:

- not require a public predecision meeting or hearing, or any design review other than administrative design review;
- apply only clear and objective development regulations;
- be integrated with the application, review, and approval procedures that apply to the underlying unit lot housing development project to the greatest extent feasible; and
- be specifically subject to the maximum permit processing time period for local government actions, unless extended pursuant to project-specific mutual agreement.

A city or county is not prohibited from applying public health, safety, building code, and environmental permitting requirements to a development project that is subject to or integrated with a unit lot subdivision process.

A city or county is not required to authorize a development project or a unit lot subdivision in a location where development is restricted under other laws, rules, or ordinances, such as in locations where development is limited as a result of physical proximity to on-site sewage system infrastructure, critical areas, or other unsuitable physical characteristics of a property.

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: PRO: This bill is designed to protect the integrity of lots, to ensure that the lot is developable, and it is meeting necessary criteria. The bill provides clarity and structure around the unit lot subdivision process. The unit lot subdivision process can achieve the goals of lot splits, but it puts this into the subdivision chapter of the RCWs. Unit lot subdivisions are also especially helpful for townhomes and other multifamily configurations where units are closer together. This bill is beneficial for housing providers, local governments, land use planners, and is focused on infill development where more housing can be provided. The unit lot subdivision process is the ability to take a parcel of land, divide it up into individual smaller parcels that may not fit

the overall zoning, and allow the parcels to be sold individually. This bill will facilitate, when appropriate, additional opportunities for constructing middle housing in new subdivisions of land. This bill is a workable tool for fostering recent housing legislation and will foster community growth.

OTHER: The bill needs to address what happens if a jurisdiction has not adopted ordinances with these requirements. There may need to be a model code that can be implemented. Under a unit lot subdivision, the larger lot needs to meet standards and other zoning provisions, but when it is split into smaller lots, the smaller lots do not need to meet those standards but collectively those standards are met. This bill will provide home ownership opportunities.

Persons Testifying: PRO: Senator Liz Lovelett, Prime Sponsor; Riley Benge, Washington REALTORS; Josh Friedmann; Scott Hazlegrove, Master Builders Association of King & Snohomish; Salim Nice; Andrea Smiley, Building Industry Association of Washington.

OTHER: Bryce Yadon, Futurewise; Carl Schroeder, Association of Washington Cities.

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

EFFECT OF HOUSE AMENDMENT(S):

- Allows a public predecision meeting or hearing when required to comply with state law, including the Shoreline Management Act.
- Requires a city to ensure that the community and property owners within 250 feet of the unit lot to be subdivided are provided notice of how to provide written comments to the administrative decision maker, including through notice posted on the closest public sidewalk or roadway.
- Changes the definition of "unit lot subdivision" to mean a subdivision or short subdivision proposed as part of a residential development project, rather than a development project.
- Changes the definition of "clear and objective design and development standards" to require the criteria be available and knowable to the public in addition to the permit applicant and public officials.