## HOUSE BILL 1051

State of Washington 66th Legislature 2019 Regular Session

By Representative Walsh

Prefiled 12/14/18.

- 1 AN ACT Relating to focusing growth management act requirements on 2 larger counties experiencing population growth; amending RCW 3 36.70A.040, 36.70A.060, 82.02.050, 36.70A.190, 36.70A.130, 36.70A.280, 36.70A.280, 36.70A.310, 19.27.097, 36.70A.020, 4 36.70A.110, 36.70A.115, 36.70A.120, 36.70A.140, 36.70A.150, 5 36.70A.160, 36.70A.210, 36.70A.260, 36.70A.350, 36.70A.360, 6 36.70A.370, 36.70A.362, 36.70A.365, 36.70A.500, 36.70A.520, 36.93.100, 36.93.157, 82.46.010, and 82.46.035; reenacting and 8 amending RCW 36.70A.070; providing effective dates; providing an 9 10 expiration date; and declaring an emergency.
- 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- Part I: Amending Growth Management Act Planning
  Requirements
- 14 **Sec. 1.** RCW 36.70A.040 and 2014 c 147 s 1 are each amended to 15 read as follows:
- 16 (1) (a) Each county ((that has both)), and the cities within such
  17 a county, shall conform with all of the requirements of this chapter
  18 if the county has both:
- 19 <u>(i) A</u> population of ((fifty)) <u>seventy-five</u> thousand or more; 20 and  $((\tau))$

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(ii) (A) Until May 16, 1995, has had its population increase by more than ten percent in the previous ten years; or( $(\tau)$ )

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(B) On or after May 16, 1995, has had its population increase by more than seventeen percent in the previous ten years(( $_{r}$  and the cities located within such county, and any other county regardless of its population that has had its population increase by more than twenty percent in the previous ten years, and the cities located within such county, shall conform with all of the requirements of this chapter. However, the county legislative authority of such a county with a population of less than fifty thousand population may adopt a resolution removing the county, and the cities located within the county, from the requirements of adopting comprehensive land use plans and development regulations under this chapter if this resolution is adopted and filed with the department by December 31, 1990, for counties initially meeting this set of criteria, or within sixty days of the date the office of financial management certifies that a county meets this set of criteria under subsection (5) of this section)).

(b) For the purposes of this subsection, a county not currently planning under this chapter is not required to include in its population count those persons confined in a correctional facility under the jurisdiction of the department of corrections that is located in the county.

((Once a county meets either of these sets of criteria, the requirement to conform with all of the requirements of this chapter remains in effect, even if the county no longer meets one of these sets of criteria.))

- (c) (i) Once a county meets the criteria of (a) of this subsection, the requirement to conform with all of the requirements of this chapter remains in effect unless the county ceases to meet the criteria of (a) (i) of this subsection.
- (ii) A county, and the cities within such a county, that was required to conform with all of the requirements of this chapter as of January 1, 2019, but that does not meet the criteria of (a)(i) of this subsection as of July 1, 2019, is no longer required to conform with all of the requirements of this chapter beginning July 1, 2019.

(iii) A county, and the cities within such a county, that was required to conform with all of the requirements of this chapter as of January 1, 2019, but that ceases to meet the criteria of (a) (i) of this subsection after July 1, 2019, is no longer required to conform

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with all of the requirements of this chapter beginning July 1st of the year in which the county's population size ceases to meet the criteria of (a) (i) of this subsection, as estimated by the office of financial management.

- (2)(((a) The county legislative authority of any county that does not meet either of the sets of criteria established under subsection (1) of this section may adopt a resolution indicating its intention to have subsection (1) of this section apply to the county. Each city, located in a county that chooses to plan under this subsection, shall conform with all of the requirements of this chapter. Once such a resolution has been adopted, the county and the cities located within the county remain subject to all of the requirements of this chapter, unless the county subsequently adopts a withdrawal resolution for partial planning pursuant to (b)(i) of this subsection.
- (b) (i) Until December 31, 2015, the legislative authority of a county may adopt a resolution removing the county and the cities located within the county from the requirements to plan under this section if:
- (A) The county has a population, as estimated by the office of financial management, of twenty thousand or fewer inhabitants at any time between April 1, 2010, and April 1, 2015;
- (B) The county has previously adopted a resolution indicating its intention to have subsection (1) of this section apply to the county;
- (C) At least sixty days prior to adopting a resolution for partial planning, the county provides written notification to the legislative body of each city within the county of its intent to consider adopting the resolution; and
- (D) The legislative bodies of at least sixty percent of those cities having an aggregate population of at least seventy-five percent of the incorporated county population have not: Adopted resolutions opposing the action by the county; and provided written notification of the resolutions to the county.
- (ii) Upon adoption of a resolution for partial planning under (b) (i) of this subsection:
- 36 (A) The county and the cities within the county are, except as
  37 provided otherwise, no longer obligated to plan under this section;
  38 and
  - (B) The county may not, for a minimum of ten years from the date of adoption of the resolution, adopt another resolution indicating

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its intention to have subsection (1) of this section apply to the county.

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(c) The adoption of a resolution for partial planning under (b)(i) of this subsection does not nullify or otherwise modify the requirements for counties and cities established in RCW 36.70A.060, 36.70A.070(5) and associated development regulations, 36.70A.170, and 36.70A.172.

(3))) Any county or city that is initially required to conform with all of the requirements of this chapter under subsection (1) of this section shall take actions under this chapter as follows: (a) The county legislative authority shall adopt a countywide planning policy under RCW 36.70A.210; (b) the county and each city located within the county shall designate critical areas, agricultural lands, forestlands, and mineral resource lands, and adopt development regulations conserving these designated agricultural forestlands, and mineral resource lands and protecting designated critical areas, under RCW 36.70A.170 and 36.70A.060; (c) the county shall designate and take other actions related to urban growth areas under RCW 36.70A.110; ((<del>[and]</del>)) and (d) ((if the county has a population of fifty thousand or more,)) the county and each city located within the county shall adopt a comprehensive plan ((under this chapter and development regulations that are consistent with and implement the comprehensive plan on or before July 1, 1994, and if the county has a population of less than fifty thousand, the county and each city located within the county shall adopt a comprehensive plan under this chapter and development regulations that are consistent with and implement the comprehensive plan by January 1, 1995, but if the governor makes written findings that a county with a population of less than fifty thousand or a city located within such a county is not making reasonable progress toward adopting a comprehensive plan and development regulations the governor may reduce this deadline for such actions to be taken by no more than one hundred eighty days. Any county or city subject to this subsection may obtain an additional six months before it is required to have adopted its development regulations by submitting a letter notifying the department of its need prior to the deadline for adopting both a comprehensive plan and development regulations.

(4) Any county or city that is required to conform with all the requirements of this chapter, as a result of the county legislative authority adopting its resolution of intention under subsection (2)

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of this section, shall take actions under this chapter as follows: (a) The county legislative authority shall adopt a county-wide planning policy under RCW 36.70A.210; (b) the county and each city that is located within the county shall adopt development regulations conserving agricultural lands, forestlands, and mineral resource lands it designated under RCW 36.70A.060 within one year of the date the county legislative authority adopts its resolution of intention; (c) the county shall designate and take other actions related to urban growth areas under RCW 36.70A.110; and (d) the county and each city that is located within the county shall adopt a comprehensive plan and development regulations that are consistent with and implement the comprehensive plan not later than four years from the date the county legislative authority adopts its resolution of intention, but a county or city may obtain an additional six months before it is required to have adopted its development regulations by submitting a letter notifying the department of its need prior to the deadline for adopting both a comprehensive plan and development regulations)).

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(((5))) (3) If the office of financial management certifies that the population of a county that previously had not been required to plan under subsection (1) ((or (2))) of this section has changed sufficiently to meet ((either of)) the ((sets of)) criteria specified under subsection (1) of this section, ((and where applicable, the county legislative authority has not adopted a resolution removing the county from these requirements as provided in subsection (1) of this section, )) the county and each city within such county shall take actions under this chapter as follows: (a) legislative authority shall adopt a countywide planning policy under RCW 36.70A.210; (b) the county and each city located within the county shall adopt development regulations under RCW 36.70A.060 conserving agricultural lands, forestlands, and mineral resource lands it designated within one year of the certification by the office of financial management; (c) the county shall designate and take other actions related to urban growth areas under RCW 36.70A.110; and (d) the county and each city located within the county shall adopt a comprehensive land use plan and development regulations that are consistent with and implement the comprehensive plan within four years of the certification by the office of financial management, but a county or city may obtain an additional six months before it is required to have adopted its development

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regulations by submitting a letter notifying the department of its need prior to the deadline for adopting both a comprehensive plan and development regulations.

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- ((+6))) (4) A copy of each document that is required under this section shall be submitted to the department at the time of its adoption.
- ((<del>(7)</del> Cities and counties planning under this chapter must amend the transportation element of the comprehensive plan to be in compliance with this chapter and chapter 47.80 RCW no later than December 31, 2000)) (5) The transportation element of comprehensive plans adopted under this chapter must be consistent with this chapter and chapter 47.80 RCW.
- 13 **Sec. 2.** RCW 36.70A.060 and 2017 3rd sp.s. c 18 s 3 are each 14 amended to read as follows:
  - (1)(a) Each county that is required ((or chooses)) to plan under RCW 36.70A.040, and each city within such county, shall adopt development regulations on or before September 1, 1991, to assure the conservation of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170. Regulations adopted under this subsection may not prohibit uses legally existing on any parcel prior to their adoption and shall remain in effect until the county or city adopts development regulations pursuant to RCW 36.70A.040. Such regulations shall assure that the use of lands adjacent to agricultural, forest, or mineral resource lands shall not interfere with the continued use, in the accustomed manner and in accordance with best management practices, of these designated lands for the production of food, agricultural products, or timber, or for the extraction of minerals. Any county located to the west of the crest of the Cascade mountains that has both a population of at least four hundred thousand and a border that touches another state, and any city in such county, may adopt development regulations to assure that agriculture, forest, and mineral resource lands adjacent to short line railroads may be developed for freight rail dependent uses.
  - (b) Counties and cities shall require that all plats, short plats, development permits, and building permits issued for development activities on, or within five hundred feet of, lands designated as agricultural lands, forestlands, or mineral resource lands, contain a notice that the subject property is within or near designated agricultural lands, forestlands, or mineral resource lands

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on which a variety of commercial activities may occur that are not compatible with residential development for certain periods of limited duration. The notice for mineral resource lands shall also inform that an application might be made for mining-related activities, including mining, extraction, washing, crushing, stockpiling, blasting, transporting, and recycling of minerals.

(c) ((Each county that adopts a resolution of partial planning under RCW 36.70A.040(2)(b), and each city within such county, shall adopt development regulations within one year after the adoption of the resolution of partial planning to assure the conservation of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170. Regulations adopted under this subsection (1)(c) must comply with the requirements governing regulations adopted under (a) of this subsection.

(d) (i) A county that adopts a resolution of partial planning under RCW 36.70A.040(2)(b) and that is not in compliance with the planning requirements of this section, RCW 36.70A.040(4), 36.70A.070(5), 36.70A.170, and 36.70A.172 at the time the resolution is adopted must, by January 30, 2017, apply for a determination of compliance from the department finding that the county's development regulations, including development regulations adopted to protect critical areas, and comprehensive plans are in compliance with the requirements of this section, RCW 36.70A.040(4), 36.70A.070(5), 36.70A.170, and 36.70A.172. The department must approve or deny the application for a determination of compliance within one hundred twenty days of its receipt or by June 30, 2017, whichever date is earlier.

(ii) If the department denies an application under (d) (i) of this subsection, the county and each city within is obligated to comply with all requirements of this chapter and the resolution for partial planning adopted under RCW 36.70A.040(2)(b) is no longer in effect.

(iii) A petition for review of a determination of compliance under (d)(i) of this subsection may only be appealed to the growth management hearings board within sixty days of the issuance of the decision by the department.

(iv) In the event of a filing of a petition in accordance with (d)(iii) of this subsection, the county and the department must equally share the costs incurred by the department for defending an approval of determination of compliance that is before the growth management hearings board.

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(v) The department may implement this subsection (1) (d) by adopting rules related to determinations of compliance. The rules may address, but are not limited to: The requirements for applications for a determination of compliance; charging of costs under (d) (iv) of this subsection; procedures for processing applications; criteria for the evaluation of applications; issuance and notice of department decisions; and applicable timelines.

- (e))) Any county that borders both the Cascade mountains and another country and has a population of less than fifty thousand people, and any city in such county, may adopt development regulations to assure that agriculture, forest, and mineral resource lands adjacent to short line railroads may be developed for freight rail dependent uses.
- (2) Each county and city shall adopt development regulations that protect critical areas that are required to be designated under RCW 36.70A.170. ((For counties and cities that are required or choose to plan under RCW 36.70A.040, such development regulations shall be adopted on or before September 1, 1991. For the remainder of the counties and cities, such development regulations shall be adopted on or before March 1, 1992.))
- (3) Such counties and cities shall review these designations and development regulations when adopting their comprehensive plans under RCW 36.70A.040 and implementing development regulations under RCW 36.70A.120 and may alter such designations and development regulations to insure consistency.
- (4) Forestland and agricultural land located within urban growth areas shall not be designated by a county or city as forestland or agricultural land of long-term commercial significance under RCW 36.70A.170 unless the city or county has enacted a program authorizing transfer or purchase of development rights.
- **Sec. 3.** RCW 82.02.050 and 2015 c 241 s 1 are each amended to 32 read as follows:
  - (1) It is the intent of the legislature:
- 34 (a) To ensure that adequate facilities are available to serve new 35 growth and development;
  - (b) To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share

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of the cost of new facilities needed to serve new growth and development; and

- (c) To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.
- (2) Counties, cities, and towns that are required ((or choose)) to plan under RCW 36.70A.040, or that were required to plan under RCW 36.70A.040 as of January 1, 2019, are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.
- (3) (a) (i) Counties, cities, and towns collecting impact fees must, by September 1, 2016, adopt and maintain a system for the deferred collection of impact fees for single-family detached and attached residential construction. The deferral system must include a process by which an applicant for a building permit for a single-family detached or attached residence may request a deferral of the full impact fee payment. The deferral system offered by a county, city, or town under this subsection (3) must include one or more of the following options:
- 23 (A) Deferring collection of the impact fee payment until final inspection;
  - (B) Deferring collection of the impact fee payment until certificate of occupancy or equivalent certification; or
  - (C) Deferring collection of the impact fee payment until the time of closing of the first sale of the property occurring after the issuance of the applicable building permit.
  - (ii) Counties, cities, and towns utilizing the deferral process required by this subsection (3)(a) may withhold certification of final inspection, certificate of occupancy, or equivalent certification until the impact fees have been paid in full.
  - (iii) The amount of impact fees that may be deferred under this subsection (3) must be determined by the fees in effect at the time the applicant applies for a deferral.
  - (iv) Unless an agreement to the contrary is reached between the buyer and seller, the payment of impact fees due at closing of a sale must be made from the seller's proceeds. In the absence of an

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agreement to the contrary, the seller bears strict liability for the payment of the impact fees.

- (b) The term of an impact fee deferral under this subsection (3) may not exceed eighteen months from the date of building permit issuance.
- (c) Except as may otherwise be authorized in accordance with (f) of this subsection (3), an applicant seeking a deferral under this subsection (3) must grant and record a deferred impact fee lien against the property in favor of the county, city, or town in the amount of the deferred impact fee. The deferred impact fee lien, which must include the legal description, tax account number, and address of the property, must also be:
  - (i) In a form approved by the county, city, or town;
- (ii) Signed by all owners of the property, with all signatures acknowledged as required for a deed, and recorded in the county where the property is located;
- (iii) Binding on all successors in title after the recordation; and
  - (iv) Junior and subordinate to one mortgage for the purpose of construction upon the same real property granted by the person who applied for the deferral of impact fees.
  - (d)(i) If impact fees are not paid in accordance with a deferral authorized by this subsection (3), and in accordance with the term provisions established in (b) of this subsection (3), the county, city, or town may institute foreclosure proceedings in accordance with chapter 61.12 RCW.
  - (ii) If the county, city, or town does not institute foreclosure proceedings for unpaid school impact fees within forty-five days after receiving notice from a school district requesting that it do so, the district may institute foreclosure proceedings with respect to the unpaid impact fees.
  - (e) (i) Upon receipt of final payment of all deferred impact fees for a property, the county, city, or town must execute a release of deferred impact fee lien for the property. The property owner at the time of the release, at his or her expense, is responsible for recording the lien release.
- 37 (ii) The extinguishment of a deferred impact fee lien by the 38 foreclosure of a lien having priority does not affect the obligation 39 to pay the impact fees as a condition of final inspection,

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certificate of occupancy, or equivalent certification, or at the time of closing of the first sale.

- (f) A county, city, or town with an impact fee deferral process on or before April 1, 2015, is exempt from the requirements of this subsection (3) if the deferral process delays all impact fees and remains in effect after September 1, 2016.
- 7 Each applicant for a single-family residential construction permit, in accordance with his or her contractor 8 registration number or other unique identification number, is 9 entitled to annually receive deferrals under this subsection (3) for 10 11 the first twenty single-family residential construction building 12 permits per county, city, or town. A county, city, or town, however, may elect, by ordinance, to defer more than twenty single-family 13 residential construction building permits for an applicant. If the 14 county, city, or town collects impact fees on behalf of one or more 15 school districts for which the collection of impact fees could be 16 17 delayed, the county, city, or town must consult with the district or districts about the additional deferrals. A county, city, or town 18 19 considering additional deferrals must give substantial weight to recommendations of each applicable school district regarding the 20 21 number of additional deferrals. If the county, city, or town disagrees with the recommendations of one or more school districts, 22 23 the county, city, or town must provide the district or districts with a written rationale for its decision. 24
- (ii) For purposes of this subsection (3)(g), an "applicant" includes an entity that controls the applicant, is controlled by the applicant, or is under common control with the applicant.
  - (h) Counties, cities, and towns may collect reasonable administrative fees to implement this subsection (3) from permit applicants who are seeking to delay the payment of impact fees under this subsection (3).
  - (i) In accordance with RCW 44.28.812 and 43.31.980, counties, cities, and towns must cooperate with and provide requested data, materials, and assistance to the department of commerce and the joint legislative audit and review committee.
    - (4) The impact fees:

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- 37 (a) Shall only be imposed for system improvements that are 38 reasonably related to the new development;
  - (b) Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and

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- 1 (c) Shall be used for system improvements that will reasonably 2 benefit the new development.
- (5) (a) Impact fees may be collected and spent only for the public facilities defined in RCW 82.02.090 which are addressed by a capital facilities plan element of a comprehensive land use plan adopted pursuant to the provisions of RCW 36.70A.070 or the provisions for comprehensive plan adoption contained in chapter 36.70, 35.63, or 35A.63 RCW. After the date a county, city, or town is required to adopt its development regulations under chapter 36.70A RCW, continued authorization to collect and expend impact fees is contingent on the county, city, or town adopting or revising a comprehensive plan in compliance with RCW 36.70A.070, and on the capital facilities plan identifying:
  - (i) Deficiencies in public facilities serving existing development and the means by which existing deficiencies will be eliminated within a reasonable period of time;

- 17 (ii) Additional demands placed on existing public facilities by 18 new development; and
- 19 (iii) Additional public facility improvements required to serve 20 new development.
  - (b) If the capital facilities plan of the county, city, or town is complete other than for the inclusion of those elements which are the responsibility of a special district, the county, city, or town may impose impact fees to address those public facility needs for which the county, city, or town is responsible.
- **Sec. 4.** RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended to read as follows:
  - (1) The department shall establish a program of technical and financial assistance and incentives to counties and cities to encourage and facilitate the adoption and implementation of comprehensive plans and development regulations throughout the state.
  - (2) The department shall develop a priority list and establish funding levels for planning and technical assistance grants both for counties and cities that plan under RCW 36.70A.040. Priority for assistance shall be based on a county's or city's population growth rates, commercial and industrial development rates, the existence and quality of a comprehensive plan and development regulations, and other relevant factors.

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(3) The department shall develop and administer a grant program to provide direct financial assistance to counties and cities for the preparation of comprehensive plans under this chapter. The department may establish provisions for county and city matching funds to conduct activities under this subsection. Grants may be expended for any purpose directly related to the preparation of a county or city comprehensive plan as the county or city and the department may agree, including, without limitation, the conducting of surveys, inventories and other data gathering and management activities, the retention of planning consultants, contracts with regional councils for planning and related services, and other related purposes.

- (4) The department shall establish a program of technical assistance:
- (a) Utilizing department staff, the staff of other state agencies, and the technical resources of counties and cities to help in the development of comprehensive plans required under this chapter. The technical assistance may include, but not be limited to, model land use ordinances, regional education and training programs, and information for local and regional inventories; and
- (b) Adopting by rule procedural criteria to assist counties and cities in adopting comprehensive plans and development regulations that meet the goals and requirements of this chapter. These criteria shall reflect regional and local variations and the diversity that exists among different counties and cities that plan under this chapter.
- (5) The department shall provide mediation services to resolve disputes between counties and cities regarding, among other things, coordination of regional issues and designation of urban growth areas.
- 30 (6) The department shall provide planning grants to enhance 31 citizen participation under RCW 36.70A.140.
- 32 <u>(7) The department may not provide technical assistance related</u> 33 <u>to the implementation of this act.</u>
- **Sec. 5.** RCW 36.70A.130 and 2012 c 191 s 1 are each amended to 35 read as follows:
  - (1) (a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if

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needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section.

- (b) Except as otherwise provided, a county or city not planning under RCW 36.70A.040 shall take action to review and, if needed, revise its policies and development regulations regarding critical areas and natural resource lands adopted according to this chapter to ensure these policies and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section. Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.
- (c) The review and evaluation required by this subsection shall include, but is not limited to, consideration of critical area ordinances and, if planning under RCW 36.70A.040, an analysis of the population allocated to a city or county from the most recent tenyear population forecast by the office of financial management.
- (d) Any amendment of or revision to a comprehensive land use plan shall conform to this chapter. Any amendment of or revision to development regulations shall be consistent with and implement the comprehensive plan.
- (2) (a) Each county and city shall establish and broadly disseminate to the public a public participation program consistent with RCW 36.70A.035 and 36.70A.140 that identifies procedures and schedules whereby updates, proposed amendments, or revisions of the comprehensive plan are considered by the governing body of the county or city no more frequently than once every year, except that, until December 31, 2015, the program shall provide for consideration of amendments of an urban growth area in accordance with RCW 36.70A.1301 once every year. "Updates" means to review and revise, if needed, according to subsection (1) of this section, and the deadlines in subsections (4) and (5) of this section or in accordance with the provisions of subsection (6) of this section. Amendments may be considered more frequently than once per year under the following circumstances:
- (i) The initial adoption of a subarea plan. Subarea plans adopted under this subsection (2)(a)(i) must clarify, supplement, or

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- 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 one hundred year floodplain in a county that has completed a state-funded pilot project that is based on watershed characterization and local habitat assessment;

- (iii) The adoption or amendment of a shoreline master program under the procedures set forth in chapter 90.58 RCW;
  - (iv) The amendment of the capital facilities element of a comprehensive plan that occurs concurrently with the adoption or amendment of a county or city budget; or
  - (v) The adoption of comprehensive plan amendments necessary to enact a planned action under RCW ((43.21C.031(2))) <u>43.21C.440</u>, provided that amendments are considered in accordance with the public participation program established by the county or city under this subsection (2)(a) and all persons who have requested notice of a comprehensive plan update are given notice of the amendments and an opportunity to comment.
  - (b) Except as otherwise provided in (a) of this subsection, all proposals shall be considered by the governing body concurrently so the cumulative effect of the various proposals can be ascertained. However, after appropriate public participation a county or city may adopt amendments or revisions to its comprehensive plan that conform with this chapter whenever an emergency exists or to resolve an appeal of a comprehensive plan filed with the growth management hearings board or with the court.
  - (3) (a) Each county that designates urban growth areas under RCW 36.70A.110 shall review, according to the schedules established in subsection (5) of this section, its designated urban growth area or areas, and the densities permitted within both the incorporated and unincorporated portions of each urban growth area. In conjunction with this review by the county, each city located within an urban growth area shall review the densities permitted within its boundaries, and the extent to which the urban growth occurring within the county has located within each city and the unincorporated portions of the urban growth areas.
- (b) The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the

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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 twenty-year period. The review required by this subsection may be combined with the review and evaluation required by RCW 36.70A.215.

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- (4) Except as provided in subsection (6) 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:
- 11 (a) On or before December 1, 2004, for Clallam, Clark, Jefferson, 12 King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and 13 the cities within those counties;
- 14 (b) On or before December 1, 2005, for Cowlitz, Island, Lewis, 15 Mason, San Juan, Skagit, and Skamania counties and the cities within 16 those counties;
- 17 (c) On or before December 1, 2006, for Benton, Chelan, Douglas, 18 Grant, Kittitas, Spokane, and Yakima counties and the cities within 19 those counties; and
- 20 (d) On or before December 1, 2007, for Adams, Asotin, Columbia, 21 Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, 22 Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and 23 Whitman counties and the cities within those counties.
  - (5) Except as otherwise provided in subsections (6) and (8) of this section, following the review of comprehensive plans and development regulations required by subsection (4) 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:
- 31 (a) On or before June 30, 2015, and every eight years thereafter, 32 for King, Pierce, and Snohomish counties and the cities within those 33 counties;
- 34 (b) On or before June 30, 2016, and every eight years thereafter, 35 for Clallam, Clark, Island, Jefferson, Kitsap, Mason, San Juan, 36 Skagit, Thurston, and Whatcom counties and the cities within those 37 counties;
- 38 (c) On or before June 30, 2017, and every eight years thereafter, 39 for Benton, Chelan, Cowlitz, Douglas, Kittitas, Lewis, Skamania,

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1 Spokane, and Yakima counties and the cities within those counties; 2 and

- (d) On or before June 30, 2018, and every eight years thereafter, 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.
- (6) (a) Nothing in this section precludes a county or city from conducting the review and evaluation required by this section before the deadlines established in subsections (4) and (5) of this section. Counties and cities may begin this process early and may be eligible for grants from the department, subject to available funding, if they elect to do so.
- (b) ((A county that is subject to a deadline established in subsection (4)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the thirty-six months following the deadline established in subsection (4) of this section: The county has a population of less than fifty thousand and has had its population increase by no more than seventeen percent in the ten years preceding the deadline established in subsection (4) of this section as of that date.
- (c)) A city that is subject to a deadline established in subsection (4)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the thirty-six months following the deadline established in subsection (4) of this section: The city has a population of no more than five thousand and has had its population increase by the greater of either no more than one hundred persons or no more than seventeen percent in the ten years preceding the deadline established in subsection (4) of this section as of that date.
- $((\frac{d}{d}))$  <u>(c)</u> A  $((\frac{county cr}{c}))$  city that is subject to a deadline established in subsection (4)(d) of this section and that meets the criteria established in (b)  $((\frac{cr}{c}))$  of this subsection may comply with the requirements of subsection (4)(d) of this section at any time within the thirty-six months after the extension provided in (b)  $((\frac{cr}{c}))$  of this subsection.
- (((e) A county that is subject to a deadline established in subsection (5)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the twenty-four months following the deadline established in

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subsection (5) of this section: The county has a population of less than fifty thousand and has had its population increase by no more than seventeen percent in the ten years preceding the deadline established in subsection (5) of this section as of that date.

- (f)) (d) A city that is subject to a deadline established in subsection (5)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the twenty-four months following the deadline established in subsection (5) of this section: The city has a population of no more than five thousand and has had its population increase by the greater of either no more than one hundred persons or no more than seventeen percent in the ten years preceding the deadline established in subsection (5) of this section as of that date.
- $((\frac{g}{g}))$  <u>(e)</u> State agencies are encouraged to provide technical assistance to the counties and cities in the review of critical area ordinances, comprehensive plans, and development regulations.
- (7) (a) The requirements imposed on counties and cities under this section shall be considered "requirements of this chapter" under the terms of RCW 36.70A.040(1). Only those counties and cities that meet the following criteria may receive grants, loans, pledges, or financial guarantees under chapter 43.155 or 70.146 RCW:
  - (i) Complying with the deadlines in this section;
- (ii) Demonstrating substantial progress towards compliance with the schedules in this section for development regulations that protect critical areas; or
- (iii) Complying with the extension provisions of subsection (6)(b)( $(\tau)$ ) or (c)( $(\tau cr + (d))$ ) of this section.
- (b) A county or city that is fewer than twelve months out of compliance with the schedules in this section for development regulations that protect critical areas is making substantial progress towards compliance. Only those counties and cities in compliance with the schedules in this section may receive preference for grants or loans subject to the provisions of RCW 43.17.250.
- (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.

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

- (i) A work plan has been approved for that watershed in 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;
- 10 (iii) The adoption or amendment of the development regulations is 11 necessary to enable the county to respond to an order of the growth 12 management hearings board or court;
- 13 (iv) The adoption or amendment of development regulations is 14 necessary to address a threat to human health or safety; or
- 15 (v) Three or more years have elapsed since the receipt of 16 funding.
  - (c) Beginning ten years from the date of receipt of funding, a county that has made the election under RCW 36.70A.710(1) must review and, if necessary, revise development regulations to protect critical areas as they specifically apply to agricultural activities in a participating watershed in accordance with the review and revision requirements and timeline in subsection (5) of this section. This 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 goals and benchmarks for protection have been met.
- **Sec. 6.** RCW 36.70A.280 and 2014 c 147 s 3 are each amended to read as follows:
- 28 (1) The growth management hearings board shall hear and determine 29 only those petitions alleging either:
  - (a) That, except as provided otherwise by this subsection, a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW((...Nothing in this subsection authorizes the board to hear petitions alleging noncompliance with RCW 36.70A.5801));

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

- (c) That the approval of a work plan adopted under RCW 36.70A.735(1)(a) is not in compliance with the requirements of the 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; or
- 10 (e) That a department certification under RCW 36.70A.735(1)(c) is 11 erroneous((; or
  - (f) That a department determination under RCW 36.70A.060(1)(d) is 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 sixty days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.
    - (3) For purposes of this section "person" means any individual, partnership, corporation, association, state agency, governmental subdivision or unit thereof, or public or private organization or entity of any character.
    - (4) To establish participation standing under subsection (2)(b) of this section, a person must show that his or her participation before the county or city was reasonably related to the person's issue as presented to the board.
    - (5) When considering a possible adjustment to a growth management planning population projection prepared by the office of financial management, the board shall consider the implications of any such adjustment to the population forecast for the entire state.

The rationale for any adjustment that is adopted by the board must be documented and filed with the office of financial management 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

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- of financial management, which shall continue to be used for state budget and planning purposes.
- 3 **Sec. 7.** RCW 36.70A.280 and 2011 c 360 s 17 are each amended to 4 read as follows:

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- (1) The growth management hearings board shall hear and determine only those petitions alleging either:
- (a) That, except as provided otherwise by this subsection, a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW((...Nothing in this subsection authorizes the board to hear petitions alleging noncompliance with RCW 36.70A.5801));
- 16 (b) That the twenty-year growth management planning population 17 projections adopted by the office of financial management pursuant to 18 RCW 43.62.035 should be adjusted;
  - (c) That the approval of a work plan adopted under RCW 36.70A.735(1)(a) is not in compliance with the requirements of the program established under RCW 36.70A.710;
- 22 (d) That regulations adopted under RCW 36.70A.735(1)(b) are not 23 regionally applicable and cannot be adopted, wholly or partially, by 24 another jurisdiction; or
- 25 (e) That a department certification under RCW 36.70A.735(1)(c) is 26 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 sixty days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.
  - (3) For purposes of this section "person" means any individual, partnership, corporation, association, state agency, governmental subdivision or unit thereof, or public or private organization or entity of any character.
- 37 (4) To establish participation standing under subsection (2)(b) 38 of this section, a person must show that his or her participation

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before the county or city was reasonably related to the person's issue as presented to the board.

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

The rationale for any adjustment that is adopted by the board must be documented and filed with the office of financial management 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.

## Part II: Conforming Amendments

Sec. 8. RCW 36.70A.070 and 2017 3rd sp.s. c 18 s 4 and 2017 3rd sp.s. c 16 s 4 are each reenacted and amended to read as follows:

The comprehensive plan of a county or city that is required ((exchooses)) to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches

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that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

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- (2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community. counties and cities subject to the review and evaluation requirements of RCW 36.70A.215, any revision to the housing element shall include consideration of prior review and evaluation reports and any reasonable measures identified.
- (3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.
- (4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities, including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

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(5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:

- (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.
- (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
  - (i) Containing or otherwise controlling rural development;
- (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- (iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and
- (v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.
- (d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:
- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or

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mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

- (A) A commercial, industrial, residential, shoreline, or mixeduse area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.
  - (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
  - (C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);
- (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
- (iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(16). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(16). Public services and public facilities shall be limited to those necessary to serve the isolated

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nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

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- (iv) A county shall adopt measures to minimize and contain the 3 existing areas or uses of more intensive rural development, as 4 appropriate, authorized under this subsection. Lands included in such 5 6 existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern 7 of low-density sprawl. Existing areas are those that are clearly 8 identifiable and contained and where there is a logical boundary 9 delineated predominately by the built environment, but that may also 10 include undeveloped lands if limited as provided in this subsection. 11 12 The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer 13 14 boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) 15 16 physical boundaries, such as bodies of water, streets and highways, 17 and land forms and contours, (C) the prevention of abnormally 18 irregular boundaries, and (D) the ability to provide public 19 facilities and public services in a manner that does not permit low-20 density sprawl;
- 21 (v) For purposes of (d) of this subsection, an existing area or 22 existing use is one that was in existence:
- 23 (A) On July 1, 1990, in a county that was initially required to 24 plan under all of the provisions of this chapter;
  - (B) On the date the ((county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or
  - (C) On the date the)) office of financial management certifies the county's population ((as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5))) meets the population size and population growth criteria of RCW 36.70A.040(1).
  - (e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.
- 37 (6) A transportation element that implements, and is consistent 38 with, the land use element.
- 39 (a) The transportation element shall include the following 40 subelements:

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- (i) Land use assumptions used in estimating travel;
- (ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;
- (iii) Facilities and services needs, including:

- (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;
- (B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;
- (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the office of financial management's ten-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;
- (D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;
- (E) Forecasts of traffic for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;
- 39 (F) Identification of state and local system needs to meet 40 current and future demands. Identified needs on state-owned

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transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;

(iv) Finance, including:

- (A) An analysis of funding capability to judge needs against probable funding resources;
- (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;
- (C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
- (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
  - (vi) Demand-management strategies;
- (vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.
- (b) After adoption of the comprehensive plan by jurisdictions required to plan ((or who choose to plan)) under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include increased public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is

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delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city.

- (c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.
  - (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.
  - (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.
  - (9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

## **Sec. 9.** RCW 36.70A.310 and 2010 c 211 s 11 are each amended to 29 read as follows:

A request for review by the state to the growth management hearings board may be made only by the governor, or with the governor's consent the head of an agency, or by the commissioner of public lands as relating to state trust lands, for the review of whether: (1) A county or city that is required ((or chooses)) to plan under RCW 36.70A.040 has failed to adopt a comprehensive plan or development regulations, or countywide planning policies within the time limits established by this chapter; or (2) a county or city that is required ((or chooses)) to plan under this chapter has adopted a comprehensive plan, development regulations, or countywide planning

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- 1 policies, that are not in compliance with the requirements of this 2 chapter.
- **Sec. 10.** RCW 19.27.097 and 2018 c 1 s 101 are each amended to 4 read as follows:

- (1) (a) Each applicant for a building permit of a building necessitating potable water shall provide evidence of an adequate water supply for the intended use of the building. Evidence may be in the form of a water right permit from the department of ecology, a letter from an approved water purveyor stating the ability to provide water, or another form sufficient to verify the existence of an adequate water supply. An application for a water right shall not be sufficient proof of an adequate water supply.
- (b) In a water resource inventory area with rules adopted by the department of ecology pursuant to RCW 90.94.020 or 90.94.030 and the following water resource inventory areas with instream flow rules adopted by the department of ecology under chapters 90.22 and 90.54 RCW that explicitly regulate permit-exempt groundwater withdrawals, evidence of an adequate water supply must be consistent with the specific applicable rule requirements: 5 (Stillaguamish); 17 (Quilcene-Snow); 18 (Elwha-Dungeness); 27 (Lewis); 28 (Salmon-Washougal); 32 (Walla Walla); 45 (Wenatchee); 46 (Entiat); 48 (Methow); and 57 (Middle Spokane).
- (c) In the following water resource inventory areas with instream flow rules adopted by the department of ecology under chapters 90.22 and 90.54 RCW that do not explicitly regulate permit-exempt groundwater withdrawals, evidence of an adequate water supply must be consistent with RCW 90.94.020, unless the applicant provides other evidence of an adequate water supply that complies with chapters 90.03 and 90.44 RCW: 1 (Nooksack); 11 (Nisqually); 22 (Lower Chehalis); 23 (Upper Chehalis); 49 (Okanogan); 55 (Little Spokane); and 59 (Colville).
- (d) In the following water resource inventory areas with instream flow rules adopted by the department of ecology under chapters 90.22 and 90.54 RCW that do not explicitly regulate permit-exempt groundwater withdrawals, evidence of an adequate water supply must be consistent with RCW 90.94.030, unless the applicant provides other evidence of an adequate water supply that complies with chapters 90.03 and 90.44 RCW: 7 (Snohomish); 8 (Cedar-Sammamish); 9 (Duwamish-

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Green); 10 (Puyallup-White); 12 (Chambers-Clover); 13 (Deschutes); 14 (Kennedy-Goldsborough); and 15 (Kitsap).

- (e) In water resource inventory areas 37 (Lower Yakima), 38 (Naches), and 39 (Upper Yakima), the department of ecology may impose requirements to satisfy adjudicated water rights.
- (f) Additional requirements apply in areas within water resource inventory area 3 (Lower Skagit-Samish) and 4 (Upper Skagit) regulated by chapter 173-503 WAC, as a result of *Swinomish Indian Tribal Community v. Department of Ecology*, 178 Wn.2d 571, 311 P.3d 6 (2013).
- (g) In other areas of the state, physical and legal evidence of an adequate water supply may be demonstrated by the submission of a water well report consistent with the requirements of chapter 18.104 RCW.
- (h) For the purposes of this subsection (1), "water resource inventory areas" means those areas described in chapter 173-500 WAC as of January 19, 2018.
- (2) In addition to other authorities, the county or city may impose additional requirements, including conditions on building permits requiring connection to an existing public water system where the existing system is willing and able to provide safe and reliable potable water to the applicant with reasonable economy and efficiency.
- (3) Within counties not required ((or not choosing)) to plan pursuant to RCW 36.70A.040, the county and the state may mutually determine those areas in the county in which the requirements of subsection (1) of this section shall not apply. The departments of health and ecology shall coordinate on the implementation of this section. Should the county and the state fail to mutually determine those areas to be designated pursuant to this subsection, the county may petition the department of enterprise services to mediate or, if necessary, make the determination.
- (4) Buildings that do not need potable water facilities are exempt from the provisions of this section. The department of ecology, after consultation with local governments, may adopt rules to implement this section, which may recognize differences between high-growth and low-growth counties.
- (5) Any permit-exempt groundwater withdrawal authorized under RCW 90.44.050 associated with a water well constructed in accordance with the provisions of chapter 18.104 RCW before January 19, 2018, is deemed to be evidence of adequate water supply under this section.

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**Sec. 11.** RCW 36.70A.020 and 2002 c 154 s 1 are each amended to 2 read as follows:

The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those counties and cities that are required ((or choose)) to plan under RCW 36.70A.040. The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans and development regulations:

- (1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- (2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- (3) Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.
- (4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
- (6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- (7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- (8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive

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1 forestlands and productive agricultural lands, and discourage 2 incompatible uses.

- (9) Open space and recreation. Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- (10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
- 10 (11) Citizen participation and coordination. Encourage the 11 involvement of citizens in the planning process and ensure 12 coordination between communities and jurisdictions to reconcile 13 conflicts.
  - (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- 19 (13) Historic preservation. Identify and encourage the 20 preservation of lands, sites, and structures, that have historical or 21 archaeological significance.
- **Sec. 12.** RCW 36.70A.110 and 2017 c 305 s 1 are each amended to 23 read as follows:
  - (1) Each county that is required ((or chooses)) to plan under RCW 36.70A.040 shall designate an urban growth area or areas within which urban growth shall be encouraged and outside of which growth can occur only if it is not urban in nature. Each city that is located in such a county shall be included within an urban growth area. An urban growth area may include more than a single city. An urban growth area may include territory that is located outside of a city only if such territory already is characterized by urban growth whether or not the urban growth area includes a city, or is adjacent to territory already characterized by urban growth, or is a designated new fully contained community as defined by RCW 36.70A.350.
  - (2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period, except for

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those urban growth areas contained totally within a national historical reserve. As part of this planning process, each city within the county must include areas sufficient to accommodate the broad range of needs and uses that will accompany the projected urban growth including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

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Each urban growth area shall permit urban densities and shall include greenbelt and open space areas. In the case of urban growth areas contained totally within a national historical reserve, the city may restrict densities, intensities, and forms of urban growth as determined to be necessary and appropriate to protect the physical, cultural, or historic integrity of the reserve. An urban growth area determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses. In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.

Within one year of July 1, 1990, each county that as of June 1, 1991, was required ((or chose)) to plan under RCW 36.70A.040, shall begin consulting with each city located within its boundaries and each city shall propose the location of an urban growth area. Within sixty days of the date ((the county legislative authority of a county adopts its resolution of intention or)) of certification by the office of financial management, all other counties that are required ((or choose)) to plan under RCW 36.70A.040 shall begin this consultation with each city located within its boundaries. The county shall attempt to reach agreement with each city on the location of an urban growth area within which the city is located. If such an agreement is not reached with each city located within the urban growth area, the county shall justify in writing why it so designated the area an urban growth area. A city may object formally with the department over the designation of the urban growth area within which it is located. Where appropriate, the department shall attempt to resolve the conflicts, including the use of mediation services.

(3) Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and

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services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas. Urban growth may also be located in designated new fully contained communities as defined by RCW 36.70A.350.

- (4) In general, cities are the units of local government most appropriate to provide urban governmental services. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development.
- (5) On or before October 1, 1993, each county that was initially required to plan under RCW 36.70A.040(1) shall adopt development regulations designating interim urban growth areas under this chapter. Within three years and three months of the date ((the county legislative authority of a county adopts its resolution of intention of of certification by the office of financial management, all other counties that are required ((or choose)) to plan under RCW 36.70A.040 shall adopt development regulations designating interim urban growth areas under this chapter. Adoption of the interim urban growth areas may only occur after public notice; public hearing; and compliance with the state environmental policy act, chapter 43.21C RCW, and under this section. Such action may be appealed to the growth management hearings board under RCW 36.70A.280. Final urban growth areas shall be adopted at the time of comprehensive plan adoption under this chapter.
- (6) Each county shall include designations of urban growth areas in its comprehensive plan.
- (7) An urban growth area designated in accordance with this section may include within its boundaries urban service areas or potential annexation areas designated for specific cities or towns within the county.
- (8) (a) Except as provided in (b) of this subsection, the expansion of an urban growth area is prohibited into the one hundred year floodplain of any river or river segment that: (i) Is located west of the crest of the Cascade mountains; and (ii) has a mean annual flow of one thousand or more cubic feet per second as determined by the department of ecology.
  - (b) Subsection (8)(a) of this section does not apply to:

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- 1 (i) Urban growth areas that are fully contained within a floodplain and lack adjacent buildable areas outside the floodplain;
  - (ii) Urban growth areas where expansions are precluded outside floodplains because:
  - (A) Urban governmental services cannot be physically provided to serve areas outside the floodplain; or
  - (B) Expansions outside the floodplain would require a river or estuary crossing to access the expansion; or
    - (iii) Urban growth area expansions where:

- (A) Public facilities already exist within the floodplain and the expansion of an existing public facility is only possible on the land to be included in the urban growth area and located within the floodplain; or
- (B) Urban development already exists within a floodplain as of July 26, 2009, and is adjacent to, but outside of, the urban growth area, and the expansion of the urban growth area is necessary to include such urban development within the urban growth area; or
- (C) The land is owned by a jurisdiction planning under this chapter or the rights to the development of the land have been permanently extinguished, and the following criteria are met:
- (I) The permissible use of the land is limited to one of the following: Outdoor recreation; environmentally beneficial projects, including but not limited to habitat enhancement or environmental restoration; stormwater facilities; flood control facilities; or underground conveyances; and
- (II) The development and use of such facilities or projects will not decrease flood storage, increase stormwater runoff, discharge pollutants to fresh or salt waters during normal operations or floods, or increase hazards to people and property.
- (c) For the purposes of this subsection (8), "one hundred year floodplain" means the same as "special flood hazard area" as set forth in WAC 173-158-040 as it exists on July 26, 2009.
- (9) If a county, city, or utility has adopted a capital facility plan or utilities element to provide sewer service within the urban growth areas during the twenty-year planning period, nothing in this chapter obligates counties, cities, or utilities to install sanitary sewer systems to properties within urban growth areas designated under subsection (2) of this section by the end of the twenty-year planning period when those properties:

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- 1 (a)(i) Have existing, functioning, nonpolluting on-site sewage 2 systems;
- 3 (ii) Have a periodic inspection program by a public agency to 4 verify the on-site sewage systems function properly and do not 5 pollute surface or groundwater; and
  - (iii) Have no redevelopment capacity; or

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- 7 (b) Do not require sewer service because development densities 8 are limited due to wetlands, flood plains, fish and wildlife 9 habitats, or geological hazards.
- 10 **Sec. 13.** RCW 36.70A.115 and 2017 3rd sp.s. c 16 s 1 are each 11 amended to read as follows:
  - (1) Counties and cities that are required ((or choose)) to plan under RCW 36.70A.040 shall ensure that, taken collectively, adoption of and amendments to their comprehensive plans and/or development regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated housing and employment growth, including the accommodation of, as appropriate, the medical, governmental, educational, institutional, commercial, and industrial facilities related to such growth, as adopted in the applicable countywide planning policies and consistent with the twenty-year population forecast from the office of financial management.
- (2) This analysis shall include the reasonable measures findings developed under RCW 36.70A.215, if applicable to such counties and cities.
- 26 **Sec. 14.** RCW 36.70A.120 and 1993 sp.s. c 6 s 3 are each amended to read as follows:
- Each county and city that is required ((or chooses)) to plan under RCW 36.70A.040 shall perform its activities and make capital budget decisions in conformity with its comprehensive plan.
- 31 **Sec. 15.** RCW 36.70A.140 and 1995 c 347 s 107 are each amended to read as follows:
- Each county and city that is required ((or chooses)) to plan under RCW 36.70A.040 shall establish and broadly disseminate to the public a public participation program identifying procedures providing for early and continuous public participation in the development and amendment of comprehensive land use plans and

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development regulations implementing such plans. The procedures shall provide for broad dissemination of proposals and alternatives, opportunity for written comments, public meetings after effective notice, provision for open discussion, communication programs, information services, and consideration of and response to public comments. In enacting legislation in response to the board's decision pursuant to RCW 36.70A.300 declaring part or all of a comprehensive plan or development regulation invalid, the county or city shall provide for public participation that is appropriate and effective under the circumstances presented by the board's order. Errors in exact compliance with the established program and procedures shall not render the comprehensive land use plan or development regulations invalid if the spirit of the program and procedures is observed. 

**Sec. 16.** RCW 36.70A.150 and 1991 c 322 s 23 are each amended to 15 read as follows:

Each county and city that is required ((or chooses)) to prepare a comprehensive land use plan under RCW 36.70A.040 shall identify lands useful for public purposes such as utility corridors, transportation corridors, landfills, sewage treatment facilities, stormwater management facilities, recreation, schools, and other public uses. The county shall work with the state and the cities within its borders to identify areas of shared need for public facilities. The jurisdictions within the county shall prepare a prioritized list of lands necessary for the identified public uses including an estimated date by which the acquisition will be needed.

The respective capital acquisition budgets for each jurisdiction shall reflect the jointly agreed upon priorities and time schedule.

Sec. 17. RCW 36.70A.160 and 1992 c 227 s 1 are each amended to read as follows:

Each county and city that is required ((or chooses)) to prepare a comprehensive land use plan under RCW 36.70A.040 shall identify open space corridors within and between urban growth areas. They shall include lands useful for recreation, wildlife habitat, trails, and connection of critical areas as defined in RCW 36.70A.030. Identification of a corridor under this section by a county or city shall not restrict the use or management of lands within the corridor for agricultural or forest purposes. Restrictions on the use or management of such lands for agricultural or forest purposes imposed

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after identification solely to maintain or enhance the value of such lands as a corridor may occur only if the county or city acquires sufficient interest to prevent development of the lands or to control resource development of the lands. The requirement for acquisition of sufficient interest does not include those corridors regulated by the interstate commerce commission, under provisions of 16 U.S.C. Sec. 1247(d), 16 U.S.C. Sec. 1248, or 43 U.S.C. Sec. 912. Nothing in this section shall be interpreted to alter the authority of the state, or a county or city, to regulate land use activities. 

The city or county may acquire by donation or purchase the fee simple or lesser interests in these open space corridors using funds authorized by RCW 84.34.230 or other sources.

- **Sec. 18.** RCW 36.70A.210 and 2009 c 121 s 2 are each amended to 14 read as follows:
  - (1) The legislature recognizes that counties are regional governments within their boundaries, and cities are primary providers of urban governmental services within urban growth areas. For the purposes of this section, a "countywide planning policy" is a written policy statement or statements used solely for establishing a countywide framework from which county and city comprehensive plans are developed and adopted pursuant to this chapter. This framework shall ensure that city and county comprehensive plans are consistent as required in RCW 36.70A.100. Nothing in this section shall be construed to alter the land-use powers of cities.
  - (2) The legislative authority of a county that plans under RCW 36.70A.040 shall adopt a countywide planning policy in cooperation with the cities located in whole or in part within the county as follows:
  - (a) No later than sixty calendar days from July 16, 1991, the legislative authority of each county that as of June 1, 1991, was required or chose to plan under RCW 36.70A.040 shall convene a meeting with representatives of each city located within the county for the purpose of establishing a collaborative process that will provide a framework for the adoption of a countywide planning policy. In other counties that are required ((or choose)) to plan under RCW 36.70A.040, this meeting shall be convened no later than sixty days after the date the county ((adopts its resolution of intention or)) was certified by the office of financial management.

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(b) The process and framework for adoption of a countywide planning policy specified in (a) of this subsection shall determine the manner in which the county and the cities agree to all procedures and provisions including but not limited to desired planning policies, deadlines, ratification of final agreements and demonstration thereof, and financing, if any, of all activities associated therewith.

- (c) If a county fails for any reason to convene a meeting with representatives of cities as required in (a) of this subsection, the governor may immediately impose any appropriate sanction or sanctions on the county from those specified under RCW 36.70A.340.
- (d) If there is no agreement by October 1, 1991, in a county that was required or chose to plan under RCW 36.70A.040 as of June 1, 1991, or if there is no agreement within one hundred twenty days of the date the county ((adopted its resolution of intention or)) was certified by the office of financial management in any other county that is required ((or chooses)) to plan under RCW 36.70A.040, the governor shall first inquire of the jurisdictions as to the reason or reasons for failure to reach an agreement. If the governor deems it appropriate, the governor may immediately request the assistance of the department of ((community, trade, and economic development)) commerce to mediate any disputes that preclude agreement. mediation is unsuccessful in resolving all disputes that will lead to agreement, the governor may impose appropriate sanctions from those specified under RCW 36.70A.340 on the county, city, or cities for failure to reach an agreement as provided in this section. The governor shall specify the reason or reasons for the imposition of any sanction.
- (e) No later than July 1, 1992, the legislative authority of each county that was required ((or chose)) to plan under RCW 36.70A.040 as of June 1, 1991, or no later than fourteen months after the date the county ((adopted its resolution of intention or)) was certified by the office of financial management the county legislative authority of any other county that is required ((or chooses)) to plan under RCW 36.70A.040, shall adopt a countywide planning policy according to the process provided under this section and that is consistent with the agreement pursuant to (b) of this subsection, and after holding a public hearing or hearings on the proposed countywide planning policy.

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- 1 (3) A countywide planning policy shall at a minimum, address the following:
  - (a) Policies to implement RCW 36.70A.110;

- (b) Policies for promotion of contiguous and orderly development and provision of urban services to such development;
- (c) Policies for siting public capital facilities of a countywide or statewide nature, including transportation facilities of statewide significance as defined in RCW 47.06.140;
- 9 (d) Policies for countywide transportation facilities and 10 strategies;
  - (e) Policies that consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution;
- 14 (f) Policies for joint county and city planning within urban 15 growth areas;
  - (g) Policies for countywide economic development and employment, which must include consideration of the future development of commercial and industrial facilities; and
    - (h) An analysis of the fiscal impact.
  - (4) Federal agencies and Indian tribes may participate in and cooperate with the countywide planning policy adoption process. Adopted countywide planning policies shall be adhered to by state agencies.
  - (5) Failure to adopt a countywide planning policy that meets the requirements of this section may result in the imposition of a sanction or sanctions on a county or city within the county, as specified in RCW 36.70A.340. In imposing a sanction or sanctions, the governor shall specify the reasons for failure to adopt a countywide planning policy in order that any imposed sanction or sanctions are fairly and equitably related to the failure to adopt a countywide planning policy.
  - (6) Cities and the governor may appeal an adopted countywide planning policy to the growth management hearings board within sixty days of the adoption of the countywide planning policy.
  - (7) Multicounty planning policies shall be adopted by two or more counties, each with a population of four hundred fifty thousand or more, with contiguous urban areas and may be adopted by other counties, according to the process established under this section or other processes agreed to among the counties and cities within the affected counties throughout the multicounty region.

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**Sec. 19.** RCW 36.70A.260 and 2010 c 211 s 5 are each amended to read as follows:

- (1) Each petition for review that is filed with the growth management hearings board shall be heard and decided by a regional panel of growth management hearings board members. Regional panels shall be constituted as follows:
- (a) Central Puget Sound region. A three-member central Puget Sound panel shall be selected to hear matters pertaining to cities and counties located within the region comprised of King, Pierce, Snohomish, and Kitsap counties.
- (b) Eastern Washington region. A three-member eastern Washington panel shall be selected to hear matters pertaining to cities and counties that are required ((or choose)) to plan under RCW 36.70A.040 and are located east of the crest of the Cascade mountains.
- (c) Western Washington region. A three-member western Washington panel shall be selected to hear matters pertaining to cities and counties that are required ((or choose)) to plan under RCW 36.70A.040, are located west of the crest of the Cascade mountains, and are not included in the central Puget Sound region. Skamania county, if it is required ((or chooses)) to plan under RCW 36.70A.040, may elect to be included within either the western Washington region or the eastern Washington region.
- (2) (a) Each regional panel selected to hear and decide cases shall consist of three board members, at least a majority of whom shall reside within the region in which the case arose, unless such members cannot sit on a particular case because of recusal or disqualification, or unless the board administrative officer determines that there is an emergency including, but not limited to, the unavailability of a board member due to illness, absence, vacancy, or significant workload imbalance. The presiding officer of each case shall reside within the region in which the case arose, unless the board administrative officer determines that there is an emergency.
- (b) Except as provided otherwise in this subsection (2)(b), each regional panel must: (i) Include one member admitted to practice law in this state; (ii) include one member who has been a city or county elected official; and (iii) reflect the political composition of the board. The requirements of this subsection (2)(b) may be waived by the board administrative officer due to member unavailability, significant workload imbalances, or other reasons.

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**Sec. 20.** RCW 36.70A.350 and 1991 sp.s. c 32 s 16 are each 2 amended to read as follows:

A county required ((or choosing)) to plan under RCW 36.70A.040 may establish a process as part of its urban growth areas, that are designated under RCW 36.70A.110, for reviewing proposals to authorize new fully contained communities located outside of the initially designated urban growth areas.

- (1) A new fully contained community may be approved in a county planning under this chapter if criteria including but not limited to the following are met:
- (a) New infrastructure is provided for and impact fees are established consistent with the requirements of RCW 82.02.050;
- (b) Transit-oriented site planning and traffic demand management programs are implemented;
- (c) Buffers are provided between the new fully contained communities and adjacent urban development;
- (d) A mix of uses is provided to offer jobs, housing, and services to the residents of the new community;
- (e) Affordable housing is provided within the new community for a broad range of income levels;
  - (f) Environmental protection has been addressed and provided for;
- (g) Development regulations are established to ensure urban growth will not occur in adjacent nonurban areas;
- (h) Provision is made to mitigate impacts on designated agricultural lands, forestlands, and mineral resource lands;
- (i) The plan for the new fully contained community is consistent with the development regulations established for the protection of critical areas by the county pursuant to RCW 36.70A.170.
- (2) New fully contained communities may be approved outside established urban growth areas only if a county reserves a portion of the twenty-year population projection and offsets the urban growth area accordingly for allocation to new fully contained communities that meet the requirements of this chapter. Any county electing to establish a new community reserve shall do so no more often than once every five years as a part of the designation or review of urban growth areas required by this chapter. The new community reserve shall be allocated on a project-by-project basis, only after specific project approval procedures have been adopted pursuant to this chapter as a development regulation. When a new community reserve is established, urban growth areas designated pursuant to this chapter

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1 shall accommodate the unreserved portion of the twenty-year 2 population projection.

Final approval of an application for a new fully contained community shall be considered an adopted amendment to the comprehensive plan prepared pursuant to RCW 36.70A.070 designating the new fully contained community as an urban growth area.

- **Sec. 21.** RCW 36.70A.360 and 1998 c 112 s 2 are each amended to 8 read as follows:
  - (1) Counties that are required ((or choose)) to plan under RCW 36.70A.040 may permit master planned resorts which may constitute urban growth outside of urban growth areas as limited by this section. A master planned resort means a self-contained and fully integrated planned unit development, in a setting of significant natural amenities, with primary focus on destination resort facilities consisting of short-term visitor accommodations associated with a range of developed on-site indoor or outdoor recreational facilities.
  - (2) Capital facilities, utilities, and services, including those related to sewer, water, stormwater, security, fire suppression, and emergency medical, provided on-site shall be limited to meeting the needs of the master planned resort. Such facilities, utilities, and services may be provided to a master planned resort by outside service providers, including municipalities and special purpose districts, provided that all costs associated with service extensions and capacity increases directly attributable to the master planned resort are fully borne by the resort. A master planned resort and service providers may enter into agreements for shared capital facilities and utilities, provided that such facilities and utilities serve only the master planned resort or urban growth areas.

Nothing in this subsection may be construed as: Establishing an order of priority for processing applications for water right permits, for granting such permits, or for issuing certificates of water right; altering or authorizing in any manner the alteration of the place of use for a water right; or affecting or impairing in any manner whatsoever an existing water right.

All waters or the use of waters shall be regulated and controlled as provided in chapters 90.03 and 90.44 RCW and not otherwise.

(3) A master planned resort may include other residential uses within its boundaries, but only if the residential uses are

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- 1 integrated into and support the on-site recreational nature of the 2 resort.
- 3 (4) A master planned resort may be authorized by a county only 4 if:

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- (a) The comprehensive plan specifically identifies policies to guide the development of master planned resorts;
- (b) The comprehensive plan and development regulations include restrictions that preclude new urban or suburban land uses in the vicinity of the master planned resort, except in areas otherwise designated for urban growth under RCW 36.70A.110;
- 11 (c) The county includes a finding as a part of the approval 12 process that the land is better suited, and has more long-term 13 importance, for the master planned resort than for the commercial 14 harvesting of timber or agricultural production, if located on land 15 that otherwise would be designated as forestland or agricultural land 16 under RCW 36.70A.170;
- 17 (d) The county ensures that the resort plan is consistent with 18 the development regulations established for critical areas; and
- 19 (e) On-site and off-site infrastructure and service impacts are 20 fully considered and mitigated.
- 21 **Sec. 22.** RCW 36.70A.362 and 1997 c 382 s 1 are each amended to 22 read as follows:

Counties that are required ((or choose)) to plan under RCW 36.70A.040 may include existing resorts as master planned resorts which may constitute urban growth outside of urban growth areas as limited by this section. An existing resort means a resort in existence on July 1, 1990, and developed, in whole or in part, as a significantly self-contained and integrated development that includes short-term visitor accommodations associated with a range of indoor and outdoor recreational facilities within the property boundaries in a setting of significant natural amenities. An existing resort may include other permanent residential uses, conference facilities, and commercial activities supporting the resort, but only if these other uses are integrated into and consistent with the on-site recreational nature of the resort.

An existing resort may be authorized by a county only if:

37 (1) The comprehensive plan specifically identifies policies to 38 guide the development of the existing resort;

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(2) The comprehensive plan and development regulations include restrictions that preclude new urban or suburban land uses in the vicinity of the existing resort, except in areas otherwise designated for urban growth under RCW 36.70A.110 and 36.70A.360((1)) (4) (a);

- (3) The county includes a finding as a part of the approval process that the land is better suited, and has more long-term importance, for the existing resort than for the commercial harvesting of timber or agricultural production, if located on land that otherwise would be designated as forestland or agricultural land under RCW 36.70A.170;
- (4) The county finds that the resort plan is consistent with the development regulations established for critical areas; and
- 13 (5) On-site and off-site infrastructure impacts are fully 14 considered and mitigated.

A county may allocate a portion of its twenty-year population projection, prepared by the office of financial management, to the master planned resort corresponding to the projected number of permanent residents within the master planned resort.

**Sec. 23.** RCW 36.70A.365 and 1995 c 190 s 1 are each amended to 20 read as follows:

A county required ((or choosing)) to plan under RCW 36.70A.040 may establish, in consultation with cities consistent with provisions of RCW 36.70A.210, a process for reviewing and approving proposals to authorize siting of specific major industrial developments outside urban growth areas.

- (1) "Major industrial development" means a master planned location for a specific manufacturing, industrial, or commercial business that: (a) Requires a parcel of land so large that no suitable parcels are available within an urban growth area; or (b) is a natural resource-based industry requiring a location near agricultural land, forestland, or mineral resource land upon which it is dependent. The major industrial development shall not be for the purpose of retail commercial development or multitenant office parks.
- (2) A major industrial development may be approved outside an urban growth area in a county planning under this chapter if criteria including, but not limited to the following, are met:
- 37 (a) New infrastructure is provided for and/or applicable impact 38 fees are paid;

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1 (b) Transit-oriented site planning and traffic demand management 2 programs are implemented;

- (c) Buffers are provided between the major industrial development and adjacent nonurban areas;
- (d) Environmental protection including air and water quality has been addressed and provided for;
- (e) Development regulations are established to ensure that urban growth will not occur in adjacent nonurban areas;
- (f) Provision is made to mitigate adverse impacts on designated agricultural lands, forestlands, and mineral resource lands;
- (g) The plan for the major industrial development is consistent with the county's development regulations established for protection of critical areas; and
- (h) An inventory of developable land has been conducted and the county has determined and entered findings that land suitable to site the major industrial development is unavailable within the urban growth area. Priority shall be given to applications for sites that are adjacent to or in close proximity to the urban growth area.
- (3) Final approval of an application for a major industrial development shall be considered an adopted amendment to the comprehensive plan adopted pursuant to RCW 36.70A.070 designating the major industrial development site on the land use map as an urban growth area. Final approval of an application for a major industrial development shall not be considered an amendment to the comprehensive plan for the purposes of RCW 36.70A.130(2) and may be considered at any time.
- **Sec. 24.** RCW 36.70A.370 and 1991 sp.s. c 32 s 18 are each 28 amended to read as follows:
  - (1) The state attorney general shall establish by October 1, 1991, an orderly, consistent process, including a checklist if appropriate, that better enables state agencies and local governments to evaluate proposed regulatory or administrative actions to assure that such actions do not result in an unconstitutional taking of private property. It is not the purpose of this section to expand or reduce the scope of private property protections provided in the state and federal Constitutions. The attorney general shall review and update the process at least on an annual basis to maintain consistency with changes in case law.

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(2) Local governments that are required ((or choose)) to plan under RCW 36.70A.040 and state agencies shall utilize the process established by subsection (1) of this section to assure that proposed regulatory or administrative actions do not result in an unconstitutional taking of private property.

- (3) The attorney general, in consultation with the Washington state bar association, shall develop a continuing education course to implement this section.
- 9 (4) The process used by government agencies shall be protected by 10 attorney client privilege. Nothing in this section grants a private 11 party the right to seek judicial relief requiring compliance with the 12 provisions of this section.
- **Sec. 25.** RCW 36.70A.500 and 2012 1st sp.s. c 1 s 310 are each amended to read as follows:
  - (1) The department of commerce shall provide management services for the growth management planning and environmental review fund created by RCW 36.70A.490. The department shall establish procedures for fund management. The department shall encourage participation in the grant or loan program by other public agencies. The department shall develop the grant or loan criteria, monitor the grant or loan program, and select grant or loan recipients in consultation with state agencies participating in the grant or loan program through the provision of grant or loan funds or technical assistance.
  - (2) A grant or loan may be awarded to a county or city that is required to ((or has chosen to)) plan under RCW 36.70A.040 and that is qualified pursuant to this section. The grant or loan shall be provided to assist a county or city in paying for the cost of preparing an environmental analysis under chapter 43.21C RCW, that is integrated with a comprehensive plan, subarea plan, plan element, countywide planning policy, development regulation, monitoring program, or other planning activity adopted under or implementing this chapter that:
- 33 (a) Improves the process for project permit review while 34 maintaining environmental quality; or
- 35 (b) Encourages use of plans and information developed for 36 purposes of complying with this chapter to satisfy requirements of 37 other state programs.
- 38 (3) In order to qualify for a grant or loan, a county or city 39 shall:

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(a) Demonstrate that it will prepare an environmental analysis pursuant to chapter 43.21C RCW and subsection (2) of this section that is integrated with a comprehensive plan, subarea plan, plan element, countywide planning policy, development regulations, monitoring program, or other planning activity adopted under or implementing this chapter;

- (b) Address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits within the geographic area analyzed in the plan;
- (c) Demonstrate that procedures for review of development permit applications will be based on the integrated plans and environmental analysis;
- (d) Include mechanisms to monitor the consequences of growth as it occurs in the plan area and to use the resulting data to update the plan, policy, or implementing mechanisms and associated environmental analysis;
- (e) Demonstrate substantial progress towards compliance with the requirements of this chapter. A county or city that is more than six months out of compliance with a requirement of this chapter is deemed not to be making substantial progress towards compliance; and
- 22 (f) Provide local funding, which may include financial 23 participation by the private sector.
  - (4) In awarding grants or loans, the department shall give preference to proposals that include one or more of the following elements:
  - (a) Financial participation by the private sector, or a public/private partnering approach;
  - (b) Identification and monitoring of system capacities for elements of the built environment, and to the extent appropriate, of the natural environment;
  - (c) Coordination with state, federal, and tribal governments in project review;
    - (d) Furtherance of important state objectives related to economic development, protection of areas of statewide significance, and siting of essential public facilities;
- 37 (e) Programs to improve the efficiency and effectiveness of the 38 permitting process by greater reliance on integrated plans and 39 prospective environmental analysis;

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(f) Programs for effective citizen and neighborhood involvement that contribute to greater likelihood that planning decisions can be implemented with community support;

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- (g) Programs to identify environmental impacts and establish mitigation measures that provide effective means to satisfy concurrency requirements and establish project consistency with the plans; or
- (h) Environmental review that addresses the impacts of increased density or intensity of comprehensive plans, subarea plans, or receiving areas designated by a city or town under the regional transfer of development rights program in chapter 43.362 RCW.
- (5) If the local funding includes funding provided by other state functional planning programs, including open space planning and watershed or basin planning, the functional plan shall be integrated into and be consistent with the comprehensive plan.
- 16 (6) State agencies shall work with grant or loan recipients to 17 facilitate state and local project review processes that will 18 implement the projects receiving grants or loans under this section.
- 19 **Sec. 26.** RCW 36.70A.520 and 2000 c 196 s 1 are each amended to 20 read as follows:

Counties that are required ((or choose)) to plan under RCW 36.70A.040 may authorize and designate national historic towns that may constitute urban growth outside of urban growth areas as limited by this section. A national historic town means a town or district that has been designated a national historic landmark by the United States secretary of the interior pursuant to 16 U.S.C. 461 et seq., as amended, based on its significant historic urban features, and which historically contained a mix of residential and commercial or industrial uses.

A national historic town may be designated under this chapter by a county only if:

- (1) The comprehensive plan specifically identifies policies to guide the preservation, redevelopment, infill, and development of the town;
- 35 (2) The comprehensive plan and development regulations specify a 36 mix of residential, commercial, industrial, tourism-recreation, 37 waterfront, or other historical uses, along with other uses, 38 infrastructure, and services which promote the economic 39 sustainability of the town and its historic character. To promote

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historic preservation, redevelopment, and an economically sustainable community, the town also may include the types of uses that existed at times during its history and is not limited to those present at the time of the historic designation. Portions of the town may include urban densities if they reflect density patterns that existed at times during its history;

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- (3) The boundaries of the town include all of the area contained in the national historic landmark designation, along with any additional limited areas determined by the county as appropriate for transitional uses and buffering. Provisions for transitional uses and buffering must be compatible with the town's historic character and must protect the existing natural and built environment under the requirements of this chapter within and beyond the additional limited areas, including visual compatibility. The comprehensive plan and development regulations must include restrictions that preclude new urban or suburban land uses in the vicinity of the town, including the additional limited areas, except in areas otherwise designated for urban growth under this chapter;
- 19 (4) The development regulations provide for architectural 20 controls and review procedures applicable to the rehabilitation, 21 redevelopment, infill, or new development to promote the historic 22 character of the town;
- 23 (5) The county finds that the national historic town is 24 consistent with the development regulations established for critical 25 areas; and
  - (6) On-site and off-site infrastructure impacts are fully considered and mitigated concurrent with development.

A county may allocate a portion of its twenty-year population projection, prepared by the office of financial management, to the national historic town corresponding to the projected number of permanent residents within the national historic town.

**Sec. 27.** RCW 36.93.100 and 1994 c 216 s 13 are each amended to read as follows:

The board shall review and approve, disapprove, or modify any of the actions set forth in RCW 36.93.090 when any of the following shall occur within forty-five days of the filing of a notice of intention:

(1) Three members of a five-member boundary review board or five members of a boundary review board in a county with a population of

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one million or more files a request for review: PROVIDED, That the members of the boundary review board shall not be authorized to file a request for review of the following actions:

- (a) The incorporation of any special district or change in the boundary of any city, town, or special purpose district;
- (b) The extension of permanent water service outside of its existing corporate boundaries by a city, town, or special purpose district if (i) the extension is through the installation of water mains of six inches or less in diameter or (ii) the county legislative authority for the county in which the proposed extension is to be built is required ((or chooses)) to plan under RCW 36.70A.040 and has by a majority vote waived the authority of the board to initiate review of all other extensions; or
- (c) The extension of permanent sewer service outside of its existing corporate boundaries by a city, town, or special purpose district if (i) the extension is through the installation of sewer mains of eight inches or less in diameter or (ii) the county legislative authority for the county in which the proposed extension is to be built is required ((or chooses)) to plan under RCW 36.70A.040 and has by a majority vote waived the authority of the board to initiate review of all other extensions;
- (2) Any governmental unit affected, including the governmental unit for which the boundary change or extension of permanent water or sewer service is proposed, or the county within which the area of the proposed action is located, files a request for review of the specific action;
  - (3) A petition requesting review is filed and is signed by:
- (a) Five percent of the registered voters residing within the area which is being considered for the proposed action (as determined by the boundary review board in its discretion subject to immediate review by writ of certiorari to the superior court); or
- (b) An owner or owners of property consisting of five percent of the assessed valuation within such area;
- (4) The majority of the members of boundary review boards concur with a request for review when a petition requesting the review is filed by five percent of the registered voters who deem themselves affected by the action and reside within one-quarter mile of the proposed action but not within the jurisdiction proposing the action.

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If a period of forty-five days shall elapse without the board's jurisdiction having been invoked as set forth in this section, the proposed action shall be deemed approved.

If a review of a proposal is requested, the board shall make a finding as prescribed in RCW 36.93.150 within one hundred twenty days after the filing of such a request for review. If this period of one hundred twenty days shall elapse without the board making a finding as prescribed in RCW 36.93.150, the proposal shall be deemed approved unless the board and the person who submitted the proposal agree to an extension of the one hundred twenty day period.

- **Sec. 28.** RCW 36.93.157 and 1992 c 162 s 2 are each amended to 12 read as follows:
- The decisions of a boundary review board located in a county that is required ((or chooses)) to plan under RCW 36.70A.040 must be consistent with RCW 36.70A.020, 36.70A.110, and 36.70A.210.
- **Sec. 29.** RCW 82.46.010 and 2015 2nd sp.s. c 10 s 1 are each 17 amended to read as follows:
  - (1) The legislative authority of any county or city must identify in the adopted budget the capital projects funded in whole or in part from the proceeds of the tax authorized in this section, and must indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects.
  - (2) (a) The legislative authority of any county or any city may impose an excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. The revenues from this tax must be used by any city or county with a population of five thousand or less and any city or county that does not plan under RCW 36.70A.040 for any capital purpose identified in a capital improvements plan and local capital improvements, including those listed in RCW 35.43.040.
  - (b) After April 30, 1992, revenues generated from the tax imposed under this subsection (2) in counties over five thousand population and cities over five thousand population that are required ((exchoose)) to plan under RCW 36.70A.040 must be used solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan and housing relocation assistance

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- under RCW 59.18.440 and 59.18.450. However, revenues (i) pledged by such counties and cities to debt retirement prior to April 30, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (ii) committed prior to April 30, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.
- (3) In lieu of imposing the tax authorized in RCW 82.14.030(2), the legislative authority of any county or any city may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-half of one percent of the selling price.
- (4) Taxes imposed under this section must be collected from persons who are taxable by the state under chapter 82.45 RCW upon the occurrence of any taxable event within the unincorporated areas of the county or within the corporate limits of the city, as the case may be.
- 18 (5) Taxes imposed under this section must comply with all applicable rules, regulations, laws, and court decisions regarding real estate excise taxes as imposed by the state under chapter 82.45 RCW.
- 22 (6) The definitions in this subsection (6) apply throughout this 23 section unless the context clearly requires otherwise.
  - (a) "City" means any city or town.

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(b) "Capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and systems; parks; recreational facilities; sanitary sewer enforcement facilities; fire protection facilities; libraries; administrative facilities; judicial facilities; river flood control projects; waterway flood control projects by those jurisdictions that, prior to June 11, 1992, have expended funds derived from the tax authorized by this section for such purposes; until December 31, 1995, housing projects for those jurisdictions that, prior to June 11, 1992, have expended or committed to expend funds derived from the tax authorized by this section or the tax authorized by RCW 82.46.035 for such purposes; and technology infrastructure that is integral to the capital project.

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(7) From July 22, 2011, until December 31, 2016, a city or county may use the greater of one hundred thousand dollars or thirty-five percent of available funds under this section, but not to exceed one million dollars per year, for the operations and maintenance of existing capital projects as defined in subsection (6) of this section.

- **Sec. 30.** RCW 82.46.035 and 2011 c 354 s 3 are each amended to 8 read as follows:
  - (1) The legislative authority of any county or city must identify in the adopted budget the capital projects funded in whole or in part from the proceeds of the tax authorized in this section, and must indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects.
  - (2) The legislative authority of any county or any city that plans under RCW 36.70A.040(1) may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. ((Any county choosing to plan under RCW 36.70A.040(2) and any city within such a county may only adopt an ordinance imposing the excise tax authorized by this section if the ordinance is first authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters.))
  - (3) Revenues generated from the tax imposed under subsection (2) of this section must be used by such counties and cities solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan. However, revenues (a) pledged by such counties and cities to debt retirement prior to March 1, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (b) committed prior to March 1, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.
- 36 (4) Revenues generated by the tax imposed by this section must be deposited in a separate account.
  - (5) As used in this section, "city" means any city or town and "capital project" means those public works projects of a local

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government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

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- (6) When the governor files a notice of noncompliance under RCW 36.70A.340 with the secretary of state and the appropriate county or city, the county or city's authority to impose the additional excise tax under this section is temporarily rescinded until the governor files a subsequent notice rescinding the notice of noncompliance.
- 12 (7) From June 30, 2012, until December 31, 2016, a city or county may use the greater of one hundred thousand dollars or thirty-five 13 percent of available funds under this section, but not to exceed one 14 million dollars per year, for operations and maintenance of existing 15 16 capital projects as defined in subsection (5) of this section, and 17 counties may use available funds under this section for the payment 18 of existing debt service incurred for capital projects as defined in RCW 82.46.010. If a county uses available funds for payment of 19 existing debt service under RCW 82.46.010, the total amount used for 20 21 payment of debt service and any amounts used for operations and 22 maintenance is subject to the limits in this subsection.
- NEW SECTION. Sec. 31. Section 6 of this act expires December 24 31, 2020.
- NEW SECTION. Sec. 32. Section 7 of this act takes effect December 31, 2020.
- NEW SECTION. Sec. 33. Sections 1 through 6 and 8 through 30 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2019.

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