HOUSE BILL 1117

State of Washington 67th Legislature 2021 Regular Session

 ${\bf By}$ Representatives Lekanoff and Fitzgibbon

Prefiled 01/08/21.

AN ACT Relating to promoting salmon recovery through revisions to the state's comprehensive planning framework; amending RCW 36.70A.030, 36.70A.020, 36.70A.060, and 90.74.020; reenacting and amending RCW 36.70A.070; adding a new section to chapter 36.70A RCW; adding a new section to chapter 90.58 RCW; and creating new sections.

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

7 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that:

8 (a) Salmon and other anadromous fish have a special historical,
9 economic, and cultural importance to Washington;

10 (b) As a consequence of their centrality to treaty-protected 11 rights reserved to Indian tribes, and the efforts required to be 12 undertaken in order to preserve those rights and recover threatened 13 and endangered species, the preservation and recovery of salmonid 14 populations is a uniquely important legislative priority;

15 (c) Nontribal commercial and recreational fishing and salmon 16 viewing contribute significantly to the economic and social stability 17 and well-being of Washington residents;

(d) By including salmon in front-end planning undertaken under the growth management act, local governments will avoid or reduce risks that litigation against them will arise related to violations of treaty rights and comanager relationships; and 1 (e) Ensuring that future development, redevelopment, and 2 population growth are compatible with the long-term survival and 3 recovery of anadromous fish species is essential to Washington's 4 continued vibrancy and quality of life.

5 (2) Therefore, it is the intent of the legislature to support the 6 protection of salmon through:

7 (a) The adoption and state support of net ecological gain at the 8 WRIA scale and incorporation of key components of the local salmon 9 recovery plan through local government growth and shoreline planning 10 efforts;

11 (b) Ensuring that proportional compensatory mitigation for 12 impacts that are predicted to occur with a high degree of likelihood 13 over the expected life of the project to wetlands, water, and fish 14 and wildlife habitat conservation areas and other elements of the 15 environment that affect salmon habitat achieves its desired outcomes; 16 and

17 (c) Providing local governments the full resources needed in the 18 form of funding and technical support to achieve the goals and 19 requirements of this act.

20 Sec. 2. RCW 36.70A.030 and 2020 c 173 s 4 are each amended to 21 read as follows:

22 Unless the context clearly requires otherwise, the definitions in 23 this section apply throughout this chapter.

(1) "Adopt a comprehensive land use plan" means to enact a new
 comprehensive land use plan or to update an existing comprehensive
 land use plan.

(2) "Affordable housing" means, unless the context clearly
indicates otherwise, residential housing whose monthly costs,
including utilities other than telephone, do not exceed thirty
percent of the monthly income of a household whose income is:

31 (a) For rental housing, sixty percent of the median household 32 income adjusted for household size, for the county where the 33 household is located, as reported by the United States department of 34 housing and urban development; or

35 (b) For owner-occupied housing, eighty percent of the median 36 household income adjusted for household size, for the county where 37 the household is located, as reported by the United States department 38 of housing and urban development.

1 (3) "Agricultural land" means land primarily devoted to the 2 commercial production of horticultural, viticultural, floricultural, 3 dairy, apiary, vegetable, or animal products or of berries, grain, 4 hay, straw, turf, seed, Christmas trees not subject to the excise tax 5 imposed by RCW 84.33.100 through 84.33.140, finfish in upland 6 hatcheries, or livestock, and that has long-term commercial 7 significance for agricultural production.

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(4) "City" means any city or town, including a code city.

9 (5) <u>"Compensatory mitigation ratio" means a measurement of the</u> 10 <u>size, temporal duration, or quality of mitigation required by a</u> 11 <u>permitting agency in order to ensure that impacts to regulated</u> 12 <u>aspects of the environment from an activity subject to a permit are</u> 13 <u>fully mitigated over the life of the activity or project subject to</u> 14 <u>the permit.</u>

15 <u>(6)</u> "Comprehensive land use plan," "comprehensive plan," or 16 "plan" means a generalized coordinated land use policy statement of 17 the governing body of a county or city that is adopted pursuant to 18 this chapter.

((-(-6))) (7) "Critical areas" include the following areas and 19 ecosystems: (a) Wetlands; (b) areas with a critical recharging effect 20 21 on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) 22 23 geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as 24 25 irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are 26 27 maintained by a port district or an irrigation district or company.

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((-(-7))) (8) "Department" means the department of commerce.

(((8))) (9) "Development regulations" or "regulation" means the 29 controls placed on development or land use activities by a county or 30 31 city, including, but not limited to, zoning ordinances, critical 32 areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and 33 binding site plan ordinances together with any amendments thereto. A 34 development regulation does not include a decision to approve a 35 project permit application, as defined in RCW 36.70B.020, even though 36 the decision may be expressed in a resolution or ordinance of the 37 legislative body of the county or city. 38

39 (((9))) <u>(10)</u> "Extremely low-income household" means a single 40 person, family, or unrelated persons living together whose adjusted income is at or below thirty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(((10))) (11) "Forestland" means land primarily devoted to 5 6 growing trees for long-term commercial timber production on land that 7 can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 8 84.33.100 through 84.33.140, and that has long-term commercial 9 significance. In determining whether forestland is primarily devoted 10 11 to growing trees for long-term commercial timber production on land 12 that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the 13 land to urban, suburban, and rural settlements; (b) 14 surrounding parcel size and the compatibility and intensity of adjacent and 15 16 nearby land uses; (c) long-term local economic conditions that affect 17 the ability to manage for timber production; and (d) the availability 18 of public facilities and services conducive to conversion of 19 forestland to other uses.

((((11))) (12) "Freight rail dependent uses" means buildings and 20 21 other infrastructure that are used in the fabrication, processing, 22 storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are 23 both urban and rural development for purposes of this chapter. 24 25 "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, 26 and transport of coal, liquefied natural gas, or "crude oil" as 27 28 defined in RCW 90.56.010.

29 (((12))) <u>(13)</u> "Geologically hazardous areas" means areas that 30 because of their susceptibility to erosion, sliding, earthquake, or 31 other geological events, are not suited to the siting of commercial, 32 residential, or industrial development consistent with public health 33 or safety concerns.

34 (((13))) (14) "Long-term commercial significance" includes the 35 growing capacity, productivity, and soil composition of the land for 36 long-term commercial production, in consideration with the land's 37 proximity to population areas, and the possibility of more intense 38 uses of the land.

39 ((((14))) (15) "Low-income household" means a single person, 40 family, or unrelated persons living together whose adjusted income is

1 at or below eighty percent of the median household income adjusted 2 for household size, for the county where the household is located, as 3 reported by the United States department of housing and urban 4 development.

5 (((15))) <u>(16)</u> "Minerals" include gravel, sand, and valuable 6 metallic substances.

7 (((16))) <u>(17)</u> "Mitigation hierarchy requirement" means that a 8 proponent must first attempt to avoid impacts where avoidance is 9 reasonably attainable, must then attempt to minimize impacts where 10 avoidance is not reasonably attainable, and must then mitigate any 11 remaining impacts where avoidance and minimization are not reasonably 12 attainable.

(18) "Net ecological gain" means a standard for a comprehensive 13 plan adopted under this chapter in which the ecological integrity 14 15 within the overall planning area is improved and enhanced during the planning period as a result of the measures adopted by the planning 16 17 body, including no net loss of ecological function with respect to the permitting of individual projects and the advancement of 18 ecological function through the appropriate selection of publicly 19 funded projects, including voluntary grant programs, salmon recovery 20 projects, ecological improvements made through the municipal 21 22 stormwater permit process, and investments made as a result of the 23 capital facilities element and transportation element of the 24 comprehensive plan.

25 (19) "Permanent supportive housing" is subsidized, leased housing 26 with no limit on length of stay that prioritizes people who need 27 comprehensive support services to retain tenancy and utilizes 28 admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, 29 30 especially related to rental history, criminal history, and personal 31 behaviors. Permanent supportive housing is paired with on-site or 32 off-site voluntary services designed to support a person living with 33 a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk 34 of homelessness prior to moving into housing to retain their housing 35 and be a successful tenant in a housing arrangement, improve the 36 37 resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. 38 39 Permanent supportive housing is subject to all of the rights and 40 responsibilities defined in chapter 59.18 RCW.

1 (((17))) (20) "Public facilities" include streets, roads, 2 highways, sidewalks, street and road lighting systems, traffic 3 signals, domestic water systems, storm and sanitary sewer systems, 4 parks and recreational facilities, and schools.

5 (((18))) <u>(21)</u> "Public services" include fire protection and 6 suppression, law enforcement, public health, education, recreation, 7 environmental protection, and other governmental services.

8 (((19) "Recreational land" means land so designated under RCW 9 36.70A.1701 and that, immediately prior to this designation, was 10 designated as agricultural land of long-term commercial significance 11 under RCW 36.70A.170. Recreational land must have playing fields and 12 supporting facilities existing before July 1, 2004, for sports played 13 on grass playing fields.

14 (20)) (22) "Rural character" refers to the patterns of land use 15 and development established by a county in the rural element of its 16 comprehensive plan:

17 (a) In which open space, the natural landscape, and vegetation18 predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-basedeconomies, and opportunities to both live and work in rural areas;

21 (c) That provide visual landscapes that are traditionally found 22 in rural areas and communities;

(d) That are compatible with the use of the land by wildlife ((and)), for fish and wildlife habitat, and with the achievement of <u>net ecological gain</u>;

26 (e) That reduce the inappropriate conversion of undeveloped land 27 into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

30 (g) That are consistent with the protection <u>and restoration</u> of 31 natural surface water flows and groundwater and surface water 32 recharge and discharge areas.

33 (((21))) <u>(23)</u> "Rural development" refers to development outside 34 the urban growth area and outside agricultural, forest, and mineral 35 resource lands designated pursuant to RCW 36.70A.170. Rural 36 development can consist of a variety of uses and residential 37 densities, including clustered residential development, at levels 38 that are consistent with the preservation of rural character and the 39 requirements of the rural element. Rural development does not refer

1 to agriculture or forestry activities that may be conducted in rural 2 areas.

(((22))) <u>(24)</u> "Rural governmental services" or "rural services" 3 include those public services and public facilities historically and 4 typically delivered at an intensity usually found in rural areas, and 5 6 may include domestic water systems, fire and police protection 7 services, transportation and public transit services, and other public utilities associated with rural development and normally not 8 associated with urban areas. Rural services do not include storm or 9 sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4). 10

11 (((23))) <u>(25)</u> "Short line railroad" means those railroad lines 12 designated class II or class III by the United States surface 13 transportation board.

14 (((24))) (26) "Urban governmental services" or "urban services" 15 include those public services and public facilities at an intensity 16 historically and typically provided in cities, specifically including 17 storm and sanitary sewer systems, domestic water systems, street 18 cleaning services, fire and police protection services, public 19 transit services, and other public utilities associated with urban 20 areas and normally not associated with rural areas.

21 (((25))) (27) "Urban growth" refers to growth that makes 22 intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the 23 primary use of land for the production of food, other agricultural 24 25 products, or fiber, or the extraction of mineral resources, rural 26 uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural 27 development, as provided in RCW 36.70A.070(5)(d), is not urban 28 29 growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by 30 31 urban growth" refers to land having urban growth located on it, or to 32 land located in relationship to an area with urban growth on it as to be appropriate for urban growth. 33

34 (((26))) <u>(28)</u> "Urban growth areas" means those areas designated 35 by a county pursuant to RCW 36.70A.110.

36 (((27))) (29) "Very low-income household" means a single person, 37 family, or unrelated persons living together whose adjusted income is 38 at or below fifty percent of the median household income adjusted for 39 household size, for the county where the household is located, as

1 reported by the United States department of housing and urban 2 development.

3 (((28))) <u>(30) "Watershed" means a water resource inventory area</u>
4 or "WRIA" established consistent with chapter 90.82 RCW.

(31) "Wetland" or "wetlands" means areas that are inundated or 5 6 saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances 7 do support, a prevalence of vegetation typically adapted for life in 8 saturated soil conditions. Wetlands generally include swamps, 9 marshes, bogs, and similar areas. Wetlands do not include those 10 11 artificial wetlands intentionally created from nonwetland sites, 12 including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater 13 treatment facilities, farm ponds, and landscape amenities, or those 14 wetlands created after July 1, 1990, that were unintentionally 15 16 created as a result of the construction of a road, street, or 17 highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of 18 19 wetlands.

20 Sec. 3. RCW 36.70A.020 and 2002 c 154 s 1 are each amended to 21 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.

31 (2) Reduce sprawl. Reduce the inappropriate conversion of32 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.

36 (4) Housing. Encourage the availability of affordable housing to 37 all economic segments of the population of this state, promote a 38 variety of residential densities and housing types, and encourage 39 preservation of existing housing stock. 1 (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive 2 plans, promote economic opportunity for all citizens of this state, 3 especially for unemployed and for disadvantaged persons, promote the 4 retention and expansion of existing businesses and recruitment of new 5 6 businesses, recognize regional differences impacting economic 7 development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the 8 state's natural resources, public services, and public facilities. 9

10 (6) Property rights. Private property shall not be taken for 11 public use without just compensation having been made. The property 12 rights of landowners shall be protected from arbitrary and 13 discriminatory actions.

14 (7) Permits. Applications for both state and local government 15 permits should be processed in a timely and fair manner to ensure 16 predictability.

17 (8) Natural resource industries. Maintain and enhance natural 18 resource-based industries, including productive timber, agricultural, 19 and fisheries industries. Encourage the conservation of productive 20 forestlands and productive agricultural lands, and discourage 21 incompatible uses.

(9) Open space and recreation. Retain open space((τ)); enhance recreational opportunities((τ)); conserve, protect, restore, and achieve net ecological gain with respect to fish and wildlife habitat((τ)) in accordance with rules adopted pursuant to this act; increase access to natural resource lands and water((τ)); and develop parks and recreation facilities.

(10) Environment. Protect, restore, and achieve net ecological gain to the environment in accordance with rules adopted pursuant to this act and enhance the state's high quality of life, including air and water quality, ((and)) the availability of water, and fish and wildlife habitat.

(11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

37 (12) Public facilities and services. Ensure that those public 38 facilities and services necessary to support development shall be 39 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.

3 (13) Historic preservation. Identify and encourage the 4 preservation of lands, sites, and structures, that have historical or 5 archaeological significance.

6 <u>(14) Salmon recovery. Support the recovery and enhancement of</u> 7 salmon stocks through the achievement of net ecological gain from 8 planning under this chapter in accordance with rules adopted pursuant 9 to this act in order to fulfill Washington's tribal treaty 10 obligations, support nontribal commercial and recreational fisheries, 11 and achieve the delisting and recovery of threatened or endangered 12 salmon and steelhead runs under the federal endangered species act.

Sec. 4. RCW 36.70A.070 and 2017 3rd sp.s. c 18 s 4 and 2017 3rd 13 sp.s. c 16 s 4 are each reenacted and amended to read as follows: 14 15 The comprehensive plan of a county or city that is required or 16 chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards 17 18 used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent 19 20 with the future land use map. A comprehensive plan shall be adopted 21 and amended with public participation as provided in RCW 36.70A.140. 22 Each comprehensive plan shall include a plan, scheme, or design for each of the following: 23

24 (1) (a) A land use element designating the proposed general 25 distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, 26 27 commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. 28 The land use element shall include population densities, building 29 30 intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of 31 groundwater used for public water supplies. Wherever possible, the 32 land use element should consider utilizing urban planning approaches 33 that promote physical activity. Where applicable, the land use 34 element shall review drainage, flooding, and stormwater runoff in the 35 area and nearby jurisdictions and provide guidance for corrective 36 actions to mitigate or cleanse those discharges that pollute waters 37 38 of the state, including Puget Sound or waters entering Puget Sound.

1 (b) Beginning with plan updates adopted after January 1, 2024, the land use element must, in accordance with rules adopted pursuant 2 to this act, include a strategy that, through a combination of 3 regulatory and nonregulatory programs, achieves net ecological gain 4 of in-water and upland habitats, vegetation, and natural features 5 6 that contribute to salmon habitat, water quantity and quality in waters of the jurisdiction that contribute to salmon and anadromous 7 fish habitat on a watershed basis, including applicable elements of 8 salmon recovery plans adopted pursuant to the federal endangered 9 10 species act. This strategy must be developed after consultation with each federally recognized Indian tribe with property, tribal 11 12 reservation land, or usual and accustomed fishing areas in, adjacent to, or directly affected by the planning jurisdiction. The 13 achievement of net ecological gain may rely on activities or 14 mitigation carried out by a jurisdiction but that are physically 15 located outside the jurisdiction. Development regulations adopted 16 17 pursuant to this section may not require individual private projects to achieve net ecological gain. Development regulations adopted 18 pursuant to this section must require that projects owned by public 19 entities including, but not limited to, state agencies, counties, 20 cities, towns, public utilities districts, schools, libraries, and 21 transportation agencies, achieve net ecological gain. 22

(2) A housing element ensuring the vitality and character of 23 24 established residential neighborhoods that: (a) Includes an inventory 25 and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) 26 27 includes a statement of goals, policies, objectives, and mandatory 28 provisions for the preservation, improvement, and development of 29 housing, including single-family residences; (c) identifies 30 sufficient land for housing, including, but not limited to, 31 government-assisted housing, housing for low-income families, 32 manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and 33 projected needs of all economic segments of the community. 34 In counties and cities subject to the review and evaluation requirements 35 of RCW 36.70A.215, any revision to the housing element shall include 36 37 consideration of prior review and evaluation reports and any reasonable measures identified. 38

39 (3) A capital facilities plan element consisting of: (a) An40 inventory of existing capital facilities owned by public entities,

1 showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities that 2 includes the elimination of identified fish passage barriers 3 resulting from capital facilities but not otherwise included in the 4 transportation and open space elements; (c) the proposed locations 5 6 and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within 7 projected funding capacities and clearly identifies sources of public 8 money for such purposes; and (e) a requirement to reassess the land 9 use element if probable funding falls short of meeting existing needs 10 11 and to ensure that the land use element, capital facilities plan 12 element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation 13 facilities shall be included in the capital facilities plan element. 14

15 (4) A utilities element consisting of the general location, 16 proposed location, and capacity of all existing and proposed 17 utilities, including, but not limited to, electrical lines, 18 telecommunication lines, and natural gas lines.

19 (5) Rural element. Counties shall include a rural element 20 including lands that are not designated for urban growth, 21 agriculture, forest, or mineral resources. The following provisions 22 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 29 development, forestry, and agriculture in rural areas. The rural 30 31 element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed 32 to serve the permitted densities and uses. To achieve a variety of 33 rural densities and uses, counties may provide for clustering, 34 density transfer, design guidelines, conservation easements, and 35 other innovative techniques that will accommodate appropriate rural 36 37 economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character. 38

1 (c) Measures governing rural development. The rural element shall 2 include measures that apply to rural development and protect the 3 rural character of the area, as established by the county, by:

(i) Containing or otherwise controlling rural development;

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5 (ii) Assuring visual compatibility of rural development with the 6 surrounding rural area;

7 (iii) Reducing the inappropriate conversion of undeveloped land 8 into sprawling, low-density development in the rural area;

9 (iv) Protecting critical areas, as provided in RCW 36.70A.060, 10 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
 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.

32 (C) Any development or redevelopment in terms of building size, 33 scale, use, or intensity shall be consistent with the character of 34 the existing areas. Development and redevelopment may include changes 35 in use from vacant land or a previously existing use so long as the 36 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

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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;

The intensification of development on lots containing 7 (iii) isolated nonresidential uses or new development of isolated cottage 8 industries and isolated small-scale businesses 9 that are not principally designed to serve the existing and projected rural 10 population and nonresidential uses, but do provide job opportunities 11 12 for rural residents. Rural counties may allow the expansion of smallscale businesses as long as those small-scale businesses conform with 13 14 the rural character of the area as defined by the local government according to RCW 36.70A.030(($\frac{(16)}{(16)}$)) (22). Rural counties may also 15 allow new small-scale businesses to utilize a site previously 16 17 occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by 18 19 the local government according to RCW 36.70A.030(((16))) (22). Public services and public facilities shall be limited to those necessary to 20 21 serve the isolated nonresidential use and shall be provided in a 22 manner that does not permit low-density sprawl;

23 (iv) A county shall adopt measures to minimize and contain the existing areas or uses of more intensive rural development, 24 as 25 appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer 26 boundary of the existing area or use, thereby allowing a new pattern 27 of low-density sprawl. Existing areas are those that are clearly 28 29 identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also 30 31 include undeveloped lands if limited as provided in this subsection. 32 The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer 33 boundary, the county shall address (A) the need to preserve the 34 character of existing natural neighborhoods and communities, (B) 35 physical boundaries, such as bodies of water, streets and highways, 36 land forms and contours, (C) the prevention of abnormally 37 and irregular boundaries, (D) the ability to provide 38 and public 39 facilities and public services in a manner that does not permit low-40 density sprawl;

1 (v) For purposes of (d) of this subsection, an existing area or 2 existing use is one that was in existence:

3 (A) On July 1, 1990, in a county that was initially required to 4 plan under all of the provisions of this chapter;

5 (B) On the date the county adopted a resolution under RCW 6 36.70A.040(2), in a county that is planning under all of the 7 provisions of this chapter under RCW 36.70A.040(2); or

8 (C) On the date the office of financial management certifies the 9 county's population as provided in RCW 36.70A.040(5), in a county 10 that is planning under all of the provisions of this chapter pursuant 11 to RCW 36.70A.040(5).

12 (e) Exception. This subsection shall not be interpreted to permit 13 in the rural area a major industrial development or a master planned 14 resort unless otherwise specifically permitted under RCW 36.70A.360 15 and 36.70A.365.

16 (6) A transportation element that implements, and is consistent 17 with, the land use element.

18 (a) The transportation element shall include the following 19 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;

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(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;

37 (C) For state-owned transportation facilities, level of service 38 standards for highways, as prescribed in chapters 47.06 and 47.80 39 RCW, to gauge the performance of the system. The purposes of 40 reflecting level of service standards for state highways in the local

1 comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination 2 between the county's or city's six-year street, road, or transit 3 program and the office of financial management's ten-year investment 4 program. The concurrency requirements of (b) of this subsection do 5 6 not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only 7 connection to the mainland are state highways or ferry routes. In 8 these island counties, state highways and ferry route capacity must 9 10 be a factor in meeting the concurrency requirements in (b) of this 11 subsection;

12 (D) Specific actions and requirements for bringing into 13 compliance locally owned transportation facilities or services that 14 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;

(F) Identification of state and local system needs to meet current and future demands. <u>System needs must include fish passage</u> <u>barriers identified on the local transportation system</u>. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;

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(iv) Finance, including:

(A) An analysis of funding capability to judge needs againstprobable funding resources;

(B) A multiyear financing plan based on the needs identified in 27 the comprehensive plan, the appropriate parts of which shall serve as 28 29 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 30 31 35.58.2795 for public transportation systems. The multiyear financing 32 plan should be coordinated with the ten-year investment program 33 developed by the office of financial management as required by RCW 47.05.030; 34

35 (C) If probable funding falls short of meeting identified needs, 36 a discussion of how additional funding will be raised, or how land 37 use assumptions will be reassessed to ensure that level of service 38 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;

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(vi) Demand-management strategies;

5 (vii) Pedestrian and bicycle component to include collaborative 6 efforts to identify and designate planned improvements for pedestrian 7 and bicycle facilities and corridors that address and encourage 8 enhanced community access and promote healthy lifestyles.

(b) After adoption of the comprehensive plan by jurisdictions 9 required to plan or who choose to plan under RCW 36.70A.040, local 10 11 jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service 12 on a locally owned transportation facility to decline below the 13 standards adopted in the transportation element of the comprehensive 14 plan, unless transportation improvements or strategies to accommodate 15 16 the impacts of development are made concurrent with the development. 17 These strategies may include increased public transportation service, 18 ride-sharing programs, demand management, and other transportation 19 systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or 20 21 strategies are in place at the time of development, or that a 22 financial commitment is in place to complete the improvements or 23 strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this 24 25 subsection (6)(b) must begin after full payment of all impact fees is 26 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.

32 (7) An economic development element establishing local goals, 33 policies, objectives, and provisions for economic growth and vitality 34 and a high quality of life. A city that has chosen to be a 35 residential community is exempt from the economic development element 36 requirement of this subsection.

37 (8) A park and recreation element that implements, and is 38 consistent with, the capital facilities plan element as it relates to 39 park and recreation facilities. The element shall include: (a) 40 Estimates of park and recreation demand for at least a ten-year 1 period; (b) an evaluation of facilities and service needs; and (c) an 2 evaluation of intergovernmental coordination opportunities to provide 3 regional approaches for meeting park and recreational demand.

4 (9) It is the intent that new or amended elements required after 5 January 1, 2002, be adopted concurrent with the scheduled update 6 provided in RCW 36.70A.130. Requirements to incorporate any such new 7 or amended elements shall be null and void until funds sufficient to 8 cover applicable local government costs are appropriated and 9 distributed by the state at least two years before local government 10 must update comprehensive plans as required in RCW 36.70A.130.

11 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 36.70A
12 RCW to read as follows:

(1) In consultation with Indian tribes and governments planning 13 under RCW 36.70A.040, the department of fish and wildlife, in 14 15 collaboration with the Washington state academy of sciences, shall 16 adopt rules that establish criteria for net ecological gain and 17 consistency with the applicable regional salmon recovery plans that 18 counties and cities planning under RCW 36.70A.040 must meet through adoption of their comprehensive plans in order to support salmon 19 20 recovery.

(2) The rules adopted under this section must address the key components of salmon recovery plans that local governments have authority over, such as the restoration and protection elements of the recovery plans.

(3) The rules adopted under this section must ensure that, where appropriate, the interjurisdictional coordination process required by RCW 36.70A.100 addresses the issue of salmon recovery.

(4) The rules adopted under this section must not require or 28 assume that the proponents of individual private projects will be 29 30 responsible for achieving net ecological gain. Rules adopted under this section must ensure that individual private projects achieve no 31 net loss of ecological function, and that net ecological gain is 32 achieved through the appropriate selection of publicly funded 33 projects, and voluntary projects whose purpose is salmon recovery but 34 which may receive funding from either public or private sources. 35

36 (5) The department of fish and wildlife shall monitor progress 37 towards the goals set forth in the regional salmon recovery plans. In 38 addition, the department of fish and wildlife shall also monitor and 39 report the progress that each jurisdiction planning under RCW

1 36.70A.040 has made toward achieving no net loss of ecological function and net ecological gain. As part of this ongoing monitoring 2 3 effort, the department of fish and wildlife, in consultation with the affected local governments, shall first establish the current 4 environmental baseline conditions within each county and city 5 6 planning under RCW 36.70A.040, identify any monitoring data gaps and make recommendations to fill those gaps, and monitor the degree to 7 which each jurisdiction is successful at achieving net ecological 8 gains, and no net losses through individual projects, over time. 9

10 (6) The department of fish and wildlife shall provide a report of 11 its monitoring under this section to the governor, the appropriate 12 committees of the legislature, and the local governments subject to 13 this act, no later than October 15th of every even-numbered year, 14 beginning in 2022.

15 Sec. 6. RCW 36.70A.060 and 2017 3rd sp.s. c 18 s 3 are each 16 amended to read as follows:

(1) (a) Each county that is required or chooses to plan under RCW 17 18 36.70A.040, and each city within such county, shall adopt development regulations on or before September 1, 1991, to assure the 19 20 conservation of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170. Regulations adopted under this 21 22 subsection may not prohibit uses legally existing on any parcel prior to their adoption and shall remain in effect until the county or city 23 24 adopts development regulations pursuant to RCW 36.70A.040. Such 25 regulations shall assure that the use of lands adjacent to agricultural, forest, or mineral resource lands shall not interfere 26 27 with the continued use, in the accustomed manner and in accordance with best management practices, of these designated lands for the 28 production of food, agricultural products, or timber, or for the 29 30 extraction of minerals. Any county located to the west of the crest 31 of the Cascade mountains that has both a population of at least four hundred thousand and a border that touches another state, and any 32 city in such county, may adopt development regulations to assure that 33 agriculture, forest, and mineral resource lands adjacent to short 34 line railroads may be developed for freight rail dependent uses. 35

36 (b) Counties and cities shall require that all plats, short 37 plats, development permits, and building permits issued for 38 development activities on, or within five hundred feet of, lands 39 designated as agricultural lands, forestlands, or mineral resource

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1 lands, contain a notice that the subject property is within or near designated agricultural lands, forestlands, or mineral resource lands 2 on which a variety of commercial activities may occur that are not 3 compatible with residential development for certain periods 4 of limited duration. The notice for mineral resource lands shall also 5 6 inform that an application might be made for mining-related activities, including mining, extraction, washing, 7 crushing, stockpiling, blasting, transporting, and recycling of minerals. 8

(c) Each county that adopts a resolution of partial planning 9 under RCW 36.70A.040(2)(b), and each city within such county, shall 10 adopt development regulations within one year after the adoption of 11 the resolution of partial planning to assure the conservation of 12 agricultural, forest, and mineral resource lands designated under RCW 13 36.70A.170. Regulations adopted under this subsection (1)(c) must 14 comply with the requirements governing regulations adopted under (a) 15 16 of this subsection.

17 (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 18 19 requirements of this section, RCW 36.70A.040(4), planning 36.70A.070(5), 36.70A.170, and 36.70A.172 at the time the resolution 20 21 is adopted must, by January 30, 2017, apply for a determination of compliance from the department finding that the county's development 22 23 regulations, including development regulations adopted to protect critical areas, and comprehensive plans are in compliance with the 24 25 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 26 application for a determination of compliance within one hundred 27 28 twenty days of its receipt or by June 30, 2017, whichever date is 29 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.

34 (iii) A petition for review of a determination of compliance 35 under (d)(i) of this subsection may only be appealed to the growth 36 management hearings board within sixty days of the issuance of the 37 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.

3 (v) The department may implement this subsection (1)(d) by 4 adopting rules related to determinations of compliance. The rules may 5 address, but are not limited to: The requirements for applications 6 for a determination of compliance; charging of costs under (d)(iv) of 7 this subsection; procedures for processing applications; criteria for 8 the evaluation of applications; issuance and notice of department 9 decisions; and applicable timelines.

10 (e) Any county that borders both the Cascade mountains and 11 another country and has a population of less than fifty thousand 12 people, and any city in such county, may adopt development 13 regulations to assure that agriculture, forest, and mineral resource 14 lands adjacent to short line railroads may be developed for freight 15 rail dependent uses.

16 (2) Each county and city shall adopt development regulations that 17 protect critical areas that are required to be designated under RCW 36.70A.170. For counties and cities that are required or choose to 18 plan under RCW 36.70A.040, such development regulations shall be 19 adopted on or before September 1, 1991. For the remainder of the 20 21 counties and cities, such development regulations shall be adopted on or before March 1, 1992. Regulations that protect critical areas must 22 23 apply the mitigation hierarchy requirement by requiring that projects 24 avoid impacts where avoidance is reasonably attainable, minimize impacts where avoidance is not reasonably attainable, and use 25 compensatory mitigation where avoidance and minimization are not 26 27 reasonably attainable. When using compensatory mitigation, 28 regulations must ensure that measures to mitigate by compensating for the impact by replacing, enhancing, or providing substitute resources 29 or environments result in no net loss of ecological function under a 30 31 range of compensatory mitigation implementation scenarios, including 32 compensatory mitigation implementation scenarios in which:

33 (a) The ecological functions and services provided by impacted 34 elements of the environment are superior to the ecological functions 35 and services provided by the mitigation measures; and

36 (b) Mitigation measures do not function as successfully as 37 <u>designed, intended, or expected.</u>

38 (3) Such counties and cities shall review these designations and
 39 development regulations when adopting their comprehensive plans under
 40 RCW 36.70A.040 and implementing development regulations under RCW

1 36.70A.120 and may alter such designations and development 2 regulations to insure consistency.

3 (4) Forestland and agricultural land located within urban growth 4 areas shall not be designated by a county or city as forestland or 5 agricultural land of long-term commercial significance under RCW 6 36.70A.170 unless the city or county has enacted a program 7 authorizing transfer or purchase of development rights.

8 **Sec. 7.** RCW 90.74.020 and 2012 c 62 s 4 are each amended to read 9 as follows:

(1) Project proponents may use a mitigation plan to proposecompensatory mitigation within a watershed. A mitigation plan shall:

12 (a) Contain provisions that guarantee the long-term viability of 13 the created, restored, enhanced, or preserved habitat, including 14 assurances for protecting any essential biological functions and 15 values defined in the mitigation plan;

16 (b) Contain provisions for long-term monitoring of any created, 17 restored, or enhanced mitigation site; ((and))

(c) Be consistent with the local comprehensive land use plan and any other applicable planning process in effect for the development area, such as an adopted subbasin or watershed plan; and

21 (d) Apply the mitigation hierarchy requirement by requiring that 22 projects avoid impacts where avoidance is reasonably attainable, minimize impacts where avoidance is not reasonably attainable, and 23 24 use compensatory mitigation where avoidance and minimization are not reasonably attainable. When using compensatory mitigation, a 25 mitigation plan must ensure that measures to mitigate by compensating 26 for the impact by replacing, enhancing, or providing substitute 27 resources or environments result in no net loss of ecological 28 function under a range of compensatory mitigation implementation 29 scenarios, including compensatory mitigation implementation scenarios 30 31 in which:

32 (i) The ecological functions and services provided by impacted
 33 elements of the environment are superior to the ecological functions
 34 and services provided by the mitigation measures; and

35 <u>(ii) Mitigation measures do not function as successfully as</u> 36 <u>designed, intended, or expected</u>.

37 (2) (a) The departments of ecology and fish and wildlife may not 38 limit the scope of options in a mitigation plan to areas on or near 39 the project site, or to habitat types of the same type as contained 1 on the project site. The departments of ecology and fish and wildlife 2 shall fully review and give due consideration to compensatory 3 mitigation proposals that improve the overall biological functions 4 and values of the watershed or bay and accommodate the mitigation 5 needs of the infrastructure development or noninfrastructure 6 development, including proposals or portions of proposals that are 7 explored or developed in RCW 90.74.040.

8 (b) The departments of ecology and fish and wildlife are not 9 required to grant approval to a mitigation plan that the departments 10 find does not provide equal or better biological functions and values 11 within the watershed or bay.

12 (3) When making a permit or other regulatory decision under the 13 guidance of this chapter, the departments of ecology and fish and 14 wildlife shall consider whether the mitigation plan provides equal or 15 better biological functions and values, compared to the existing 16 conditions, for the target resources or species identified in the 17 mitigation plan. This consideration shall be based upon the following 18 factors:

(a) The relative value of the mitigation for the target
resources, in terms of the quality and quantity of biological
functions and values provided;

(b) The compatibility of the proposal with the intent of broader resource management and habitat management objectives and plans, such as existing resource management plans, watershed plans, critical areas ordinances, the forestry riparian easement program, the riparian open space program, the family forest fish passage program, and shoreline master programs;

28 (c) The ability of the mitigation to address scarce functions or 29 values within a watershed;

30 (d) The benefits of the proposal to broader watershed landscape, 31 including the benefits of connecting various habitat units or 32 providing population-limiting habitats or functions for target 33 species;

(e) The benefits of early implementation of habitat mitigation
 for projects that provide compensatory mitigation in advance of the
 project's planned impacts; and

37 (f) The significance of any negative impacts to nontarget species 38 or resources. 1 (4) A mitigation plan may be approved through a memorandum of 2 agreement between the project proponent and either the department of 3 ecology or the department of fish and wildlife, or both.

4 <u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 90.58 5 RCW to read as follows:

Mitigation imposed under this chapter and consistent with chapter 6 7 43.21C RCW must apply the mitigation hierarchy requirement by requiring that projects avoid impacts where avoidance is reasonably 8 attainable, minimize impacts where avoidance is not reasonably 9 10 attainable, and use compensatory mitigation where avoidance and 11 minimization are not reasonably attainable. When using compensatory mitigation, regulations must ensure that measures to mitigate by 12 compensating for the impact by replacing, enhancing, or providing 13 substitute resources or environments result in no net loss of 14 15 ecological function under a range of compensatory mitigation 16 implementation scenarios, including compensatory mitigation 17 implementation scenarios in which:

(1) The ecological functions and services provided by impacted
 elements of the environment are superior to the ecological functions
 and services provided by the mitigation measures; and

(2) Mitigation measures do not function as successfully asdesigned, intended, or expected.

23 <u>NEW SECTION.</u> Sec. 9. If specific funding for the purposes of 24 this act, referencing this act by bill or chapter number, is not 25 provided by June 30, 2021, in the omnibus appropriations act, this 26 act is null and void.

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