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**SUBSTITUTE HOUSE BILL 1233**

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**State of Washington**

**67th Legislature**

**2021 Regular Session**

**By** House Local Government (originally sponsored by Representatives Barkis, Griffey, and Eslick)

1 AN ACT Relating to limited areas of more intensive rural  
2 development; and reenacting and amending RCW 36.70A.070.

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

4 **Sec. 1.** RCW 36.70A.070 and 2017 3rd sp.s. c 18 s 4 and 2017 3rd  
5 sp.s. c 16 s 4 are each reenacted and amended to read as follows:

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

15 (1) A land use element designating the proposed general  
16 distribution and general location and extent of the uses of land,  
17 where appropriate, for agriculture, timber production, housing,  
18 commerce, industry, recreation, open spaces, general aviation  
19 airports, public utilities, public facilities, and other land uses.  
20 The land use element shall include population densities, building  
21 intensities, and estimates of future population growth. The land use

1 element shall provide for protection of the quality and quantity of  
2 groundwater used for public water supplies. Wherever possible, the  
3 land use element should consider utilizing urban planning approaches  
4 that promote physical activity. Where applicable, the land use  
5 element shall review drainage, flooding, and stormwater runoff in the  
6 area and nearby jurisdictions and provide guidance for corrective  
7 actions to mitigate or cleanse those discharges that pollute waters  
8 of the state, including Puget Sound or waters entering Puget Sound.

9 (2) A housing element ensuring the vitality and character of  
10 established residential neighborhoods that: (a) Includes an inventory  
11 and analysis of existing and projected housing needs that identifies  
12 the number of housing units necessary to manage projected growth; (b)  
13 includes a statement of goals, policies, objectives, and mandatory  
14 provisions for the preservation, improvement, and development of  
15 housing, including single-family residences; (c) identifies  
16 sufficient land for housing, including, but not limited to,  
17 government-assisted housing, housing for low-income families,  
18 manufactured housing, multifamily housing, and group homes and foster  
19 care facilities; and (d) makes adequate provisions for existing and  
20 projected needs of all economic segments of the community. In  
21 counties and cities subject to the review and evaluation requirements  
22 of RCW 36.70A.215, any revision to the housing element shall include  
23 consideration of prior review and evaluation reports and any  
24 reasonable measures identified.

25 (3) A capital facilities plan element consisting of: (a) An  
26 inventory of existing capital facilities owned by public entities,  
27 showing the locations and capacities of the capital facilities; (b) a  
28 forecast of the future needs for such capital facilities; (c) the  
29 proposed locations and capacities of expanded or new capital  
30 facilities; (d) at least a six-year plan that will finance such  
31 capital facilities within projected funding capacities and clearly  
32 identifies sources of public money for such purposes; and (e) a  
33 requirement to reassess the land use element if probable funding  
34 falls short of meeting existing needs and to ensure that the land use  
35 element, capital facilities plan element, and financing plan within  
36 the capital facilities plan element are coordinated and consistent.  
37 Park and recreation facilities shall be included in the capital  
38 facilities plan element.

39 (4) A utilities element consisting of the general location,  
40 proposed location, and capacity of all existing and proposed

1 utilities, including, but not limited to, electrical lines,  
2 telecommunication lines, and natural gas lines.

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

7 (a) Growth management act goals and local circumstances. Because  
8 circumstances vary from county to county, in establishing patterns of  
9 rural densities and uses, a county may consider local circumstances,  
10 but shall develop a written record explaining how the rural element  
11 harmonizes the planning goals in RCW 36.70A.020 and meets the  
12 requirements of this chapter.

13 (b) Rural development. The rural element shall permit rural  
14 development, forestry, and agriculture in rural areas. The rural  
15 element shall provide for a variety of rural densities, uses,  
16 essential public facilities, and rural governmental services needed  
17 to serve the permitted densities and uses. To achieve a variety of  
18 rural densities and uses, counties may provide for clustering,  
19 density transfer, design guidelines, conservation easements, and  
20 other innovative techniques that will accommodate appropriate rural  
21 economic advancement, densities, and uses that are not characterized  
22 by urban growth and that are consistent with rural character.

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

26 (i) Containing or otherwise controlling rural development;

27 (ii) Assuring visual compatibility of rural development with the  
28 surrounding rural area;

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

31 (iv) Protecting critical areas, as provided in RCW 36.70A.060,  
32 and surface water and groundwater resources; and

33 (v) Protecting against conflicts with the use of agricultural,  
34 forest, and mineral resource lands designated under RCW 36.70A.170.

35 (d) Limited areas of more intensive rural development. Subject to  
36 the requirements of this subsection and except as otherwise  
37 specifically provided in this subsection (5)(d), the rural element  
38 and development regulations may allow for limited areas of more  
39 intensive rural development, including necessary public facilities  
40 and public services to serve the limited area as follows:

1 (i) Rural development consisting of the infill, development, or  
2 redevelopment of existing commercial, industrial, residential, or  
3 mixed-use areas, whether characterized as shoreline development,  
4 villages, hamlets, rural activity centers, or crossroads  
5 developments.

6 (A) A commercial, industrial, residential, shoreline, or mixed-  
7 use area are subject to the requirements of (d)(iv) of this  
8 subsection, but are not subject to the requirements of (c)(ii) and  
9 (iii) of this subsection.

10 (B) Any development or redevelopment other than an industrial  
11 area or an industrial use within a mixed-use area or an industrial  
12 area under this subsection (5)(d)(i) must be principally designed to  
13 serve the existing and projected rural population.

14 (C) Any development or redevelopment in terms of building size,  
15 scale, use, or intensity shall be determined by the county through  
16 development regulations consistent with the character of the existing  
17 areas. Development and redevelopment (~~(may include changes in use~~  
18 ~~from vacant land or a previously existing use)) to new uses is  
19 allowed as defined by local development regulations so long as the  
20 new use conforms to the requirements of this subsection (5);~~

21 (ii) The intensification of development on lots containing, or  
22 new development of, small-scale recreational or tourist uses,  
23 including commercial facilities to serve those recreational or  
24 tourist uses, that rely on a rural location and setting, but that do  
25 not include new residential development, except that new residential  
26 development may be allowed for the property owner. A small-scale  
27 recreation or tourist use is not required to be principally designed  
28 to serve the existing and projected rural population. Public services  
29 and public facilities shall be limited to those necessary to serve  
30 the recreation or tourist use and shall be provided in a manner that  
31 does not permit low-density sprawl;

32 (iii) The intensification of development on lots containing  
33 isolated nonresidential uses or new development of isolated cottage  
34 industries and isolated small-scale businesses that are not  
35 principally designed to serve the existing and projected rural  
36 population and nonresidential uses, but do provide job opportunities  
37 for rural residents. Rural counties may allow the expansion of small-  
38 scale businesses as long as those small-scale businesses conform with  
39 the rural character of the area as defined by the local government  
40 according to RCW 36.70A.030(~~(+16))~~) (20). Rural counties may also

1 allow new small-scale businesses to utilize a site previously  
2 occupied by an existing business as long as the new small-scale  
3 business conforms to the rural character of the area as defined by  
4 the local government according to RCW 36.70A.030(~~((+16))~~) (20). Public  
5 services and public facilities shall be limited to those necessary to  
6 serve the isolated nonresidential use and shall be provided in a  
7 manner that does not permit low-density sprawl;

8 (iv) A county shall adopt measures to minimize and contain the  
9 existing areas or uses of more intensive rural development, as  
10 appropriate, authorized under this subsection. Lands included in such  
11 existing areas or uses shall not extend beyond the logical outer  
12 boundary of the existing area or use, thereby allowing a new pattern  
13 of low-density sprawl. Existing areas are those that are ~~((clearly))~~  
14 identifiable ~~((and contained))~~ and where there is a logical boundary  
15 delineated ~~((predominately by the built environment, but that may~~  
16 ~~also include undeveloped lands if limited as provided in this~~  
17 ~~subsection. The county shall establish the logical outer boundary of~~  
18 ~~an area of more intensive rural development. In establishing the~~  
19 ~~logical outer boundary, the county shall address (A) the need to~~  
20 ~~preserve the character of existing natural neighborhoods and~~  
21 ~~communities, (B) physical boundaries, such as bodies of water,~~  
22 ~~streets and highways, and land forms and contours, (C) the prevention~~  
23 ~~of abnormally irregular boundaries, and (D) the ability to provide~~  
24 ~~public facilities and public services in a manner that does not~~  
25 ~~permit low-density sprawl;~~

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

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

30 ~~(B) On the date the county adopted a resolution under RCW~~  
31 ~~36.70A.040(2), in a county that is planning under all of the~~  
32 ~~provisions of this chapter under RCW 36.70A.040(2); or~~

33 ~~(C) On the date the office of financial management certifies the~~  
34 ~~county's population as provided in RCW 36.70A.040(5), in a county~~  
35 ~~that is planning under all of the provisions of this chapter pursuant~~  
36 ~~to RCW 36.70A.040(5)) by the local government. A local government~~  
37 may consider several factors when defining the logical outer  
38 boundary, including but not limited to the existing built  
39 environment, physical boundaries such as bodies of water and streets  
40 and highways, land forms and contours, and correct land use patterns

1 that perpetuate disadvantages on communities of color, immigrants,  
2 and indigenous peoples. A local government must consider the needs of  
3 the surrounding rural community and proximity of the nearest urban  
4 growth area where services may be obtained in order to address  
5 community needs associated with natural population growth and actual  
6 development patterns. A local government may also connect two  
7 geographically separated limited areas of more intensive rural  
8 development. The boundary of a limited area of more intensive rural  
9 development established pursuant to (d)(i) of this subsection prior  
10 to July 1, 2021, may also be expanded by a local government, in order  
11 to primarily serve the needs of the existing rural population. New  
12 planning for the limited area of more intensive rural development  
13 should rectify systemic equity violations imposed on disadvantaged  
14 communities, indigenous peoples, and communities of color that reside  
15 in rural areas by reducing the need to travel to urban growth areas  
16 to obtain basic services related to food, housing, and health.  
17 Permitting efforts within the limited area should provide incentives  
18 for redevelopment, revitalization, or rehabilitation of properties  
19 that have buildings or existing infrastructure that have fallen into  
20 disrepair and disuse. Revitalization efforts may include upgrades to  
21 broadband services to overcome the digital divide and environmentally  
22 desirable modifications related to transportation infrastructure and  
23 land use patterns.

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

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

30 (a) The transportation element shall include the following  
31 subelements:

32 (i) Land use assumptions used in estimating travel;

33 (ii) Estimated traffic impacts to state-owned transportation  
34 facilities resulting from land use assumptions to assist the  
35 department of transportation in monitoring the performance of state  
36 facilities, to plan improvements for the facilities, and to assess  
37 the impact of land-use decisions on state-owned transportation  
38 facilities;

39 (iii) Facilities and services needs, including:

1 (A) An inventory of air, water, and ground transportation  
2 facilities and services, including transit alignments and general  
3 aviation airport facilities, to define existing capital facilities  
4 and travel levels as a basis for future planning. This inventory must  
5 include state-owned transportation facilities within the city or  
6 county's jurisdictional boundaries;

7 (B) Level of service standards for all locally owned arterials  
8 and transit routes to serve as a gauge to judge performance of the  
9 system. These standards should be regionally coordinated;

10 (C) For state-owned transportation facilities, level of service  
11 standards for highways, as prescribed in chapters 47.06 and 47.80  
12 RCW, to gauge the performance of the system. The purposes of  
13 reflecting level of service standards for state highways in the local  
14 comprehensive plan are to monitor the performance of the system, to  
15 evaluate improvement strategies, and to facilitate coordination  
16 between the county's or city's six-year street, road, or transit  
17 program and the office of financial management's ten-year investment  
18 program. The concurrency requirements of (b) of this subsection do  
19 not apply to transportation facilities and services of statewide  
20 significance except for counties consisting of islands whose only  
21 connection to the mainland are state highways or ferry routes. In  
22 these island counties, state highways and ferry route capacity must  
23 be a factor in meeting the concurrency requirements in (b) of this  
24 subsection;

25 (D) Specific actions and requirements for bringing into  
26 compliance locally owned transportation facilities or services that  
27 are below an established level of service standard;

28 (E) Forecasts of traffic for at least ten years based on the  
29 adopted land use plan to provide information on the location, timing,  
30 and capacity needs of future growth;

31 (F) Identification of state and local system needs to meet  
32 current and future demands. Identified needs on state-owned  
33 transportation facilities must be consistent with the statewide  
34 multimodal transportation plan required under chapter 47.06 RCW;

35 (iv) Finance, including:

36 (A) An analysis of funding capability to judge needs against  
37 probable funding resources;

38 (B) A multiyear financing plan based on the needs identified in  
39 the comprehensive plan, the appropriate parts of which shall serve as  
40 the basis for the six-year street, road, or transit program required

1 by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW  
2 35.58.2795 for public transportation systems. The multiyear financing  
3 plan should be coordinated with the ten-year investment program  
4 developed by the office of financial management as required by RCW  
5 47.05.030;

6 (C) If probable funding falls short of meeting identified needs,  
7 a discussion of how additional funding will be raised, or how land  
8 use assumptions will be reassessed to ensure that level of service  
9 standards will be met;

10 (v) Intergovernmental coordination efforts, including an  
11 assessment of the impacts of the transportation plan and land use  
12 assumptions on the transportation systems of adjacent jurisdictions;

13 (vi) Demand-management strategies;

14 (vii) Pedestrian and bicycle component to include collaborative  
15 efforts to identify and designate planned improvements for pedestrian  
16 and bicycle facilities and corridors that address and encourage  
17 enhanced community access and promote healthy lifestyles.

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

36 (c) The transportation element described in this subsection (6),  
37 the six-year plans required by RCW 35.77.010 for cities, RCW  
38 36.81.121 for counties, and RCW 35.58.2795 for public transportation  
39 systems, and the ten-year investment program required by RCW  
40 47.05.030 for the state, must be consistent.



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

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

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

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