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HOUSE BILL 1403

State of Washington 68th Legislature 2023 Regular Session

By Representatives Goehner, Chapman, Griffey, Corry, Rude, Couture, Christian, and Cheney

AN ACT Relating to making it possible for more properties to have access to water, storm drains, and sanitary sewage systems; amending RCW 36.70A.030, 36.70A.110, 36.70A.280, 36.70A.320, 36.70B.040, 36.93.100, and 36.93.105; reenacting and amending RCW 36.70A.070; adding a new section to chapter 36.70 RCW; creating a new section; and repealing RCW 35.67.022 and 35.91.025.

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

NEW SECTION. Sec. 1. The legislature finds that there needs to be increased flexibility in extending publicly provided water, sewer, and storm drain facilities beyond municipal and urban growth boundaries and that doing so does not automatically create sprawl. It is a community's choice on whether it is feasible, economical, and environmentally prudent to provide such services. This act intends to remove barriers that prevent communities from using certain types of water, sewer, and storm drain systems that have been designated urban levels of service, and authorize local communities to make the choice to use these important technologies. Any ordinance, rule, or policy that prevents what this act authorizes should be modified or repealed.

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1 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 36.70

2 RCW to read as follows:

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A city may extend water or sewer facilities as defined in RCW 35.91.015 into areas beyond the city limits and designated urban growth areas.

- 6 **Sec. 3.** RCW 36.70A.030 and 2021 c 254 s 6 are each amended to read as follows:
- 8 Unless the context clearly requires otherwise, the definitions in 9 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:
 - (a) For rental housing, sixty 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; or
 - (b) For owner-occupied housing, eighty 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.
 - (3) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.
 - (4) "City" means any city or town, including a code city.
 - (5) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.
- 37 (6) "Critical areas" include the following areas and ecosystems: 38 (a) Wetlands; (b) areas with a critical recharging effect on aquifers 39 used for potable water; (c) fish and wildlife habitat conservation

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- areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.
 - (7) "Department" means the department of commerce.

- (8) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.
- (9) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.
- (10) "Emergency shelter" means a facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.
- (11) "Extremely low-income household" means a single 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.
- (12) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In

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determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

- (13) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.
- (14) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.
- (15) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.
- (16) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty 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.
- 36 (17) "Minerals" include gravel, sand, and valuable metallic 37 substances.
- 38 (18) "Moderate-income household" means a single person, family, 39 or unrelated persons living together whose adjusted income is at or 40 below 120 percent of the median household income adjusted for

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household size, for the county where the household is located, as reported by the United States department of housing and urban development.

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- (19) "Permanent supportive housing" is subsidized, leased housing 4 with no limit on length of stay that prioritizes people who need 5 6 comprehensive support services to retain tenancy and utilizes 7 admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, 8 especially related to rental history, criminal history, and personal 9 behaviors. Permanent supportive housing is paired with on-site or 10 11 off-site voluntary services designed to support a person living with 12 a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk 13 of homelessness prior to moving into housing to retain their housing 14 and be a successful tenant in a housing arrangement, improve the 15 16 resident's health status, and connect the resident of the housing 17 with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and 18 19 responsibilities defined in chapter 59.18 RCW.
- 20 (20) "Public facilities" include streets, roads, highways, 21 sidewalks, street and road lighting systems, traffic signals, 22 domestic water systems, storm and sanitary sewer systems, parks and 23 recreational facilities, and schools.
 - (21) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.
 - (22) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.
 - (23) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:
- 36 (a) In which open space, the natural landscape, and vegetation 37 predominate over the built environment;
 - (b) That foster ((traditional)) rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

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

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- (d))) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;
- $((\frac{(e)}{(e)}))$ <u>(d)</u> That reduce the inappropriate conversion undeveloped land into sprawling, low-density development;
- (((f) That generally do not require the extension of urban governmental services;)) and
- $((\frac{g}{g}))$ (e) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.
- (24) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.
- (25) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. ((Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).)
- (26) "Short line railroad" means those railroad lines designated 29 class II or class III by the United States surface transportation 30 31 board.
 - (27) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.
- 39 (28) "Urban growth" refers to growth that makes intensive use of 40 land for the location of buildings, structures, and impermeable

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- surfaces to such a degree as to be incompatible with the primary use 1 2 of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural 3 development, and natural resource lands designated pursuant to RCW 4 36.70A.170. A pattern of more intensive rural development, 5 6 provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed 7 to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land 8 9 having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban 10 11 growth.
 - (29) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

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- (30) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below fifty 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.
- (31) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.
- 35 **Sec. 4.** RCW 36.70A.070 and 2022 c 246 s 2 and 2022 c 220 s 1 are each reenacted and amended to read as follows:
- The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards

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- 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:
- 7 A land use element designating the proposed general (1)distribution and general location and extent of the uses of land, 8 where appropriate, for agriculture, timber production, housing, 9 commerce, industry, recreation, open spaces, general aviation 10 airports, public utilities, public facilities, and other land uses. 11 12 The land use element shall include population densities, building intensities, and estimates of future population growth. The land use 13 element shall provide for protection of the quality and quantity of 14 groundwater used for public water supplies. Wherever possible, the 15 16 land use element should consider utilizing urban planning approaches 17 that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and stormwater runoff in the 18 area and nearby jurisdictions and provide guidance for corrective 19 actions to mitigate or cleanse those discharges that pollute waters 20 21 of the state, including Puget Sound or waters entering Puget Sound.
 - (2) A housing element ensuring the vitality and character of established residential neighborhoods that:

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- (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including:
- (i) Units for moderate, low, very low, and extremely low-income households; and
- 30 (ii) Emergency housing, emergency shelters, and permanent 31 supportive housing;
 - (b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;
- 38 (c) Identifies sufficient capacity of land for housing including, 39 but not limited to, government-assisted housing, housing for 40 moderate, low, very low, and extremely low-income households,

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- manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;
- 5 (d) Makes adequate provisions for existing and projected needs of 6 all economic segments of the community, including:
 - (i) Incorporating consideration for low, very low, extremely low, and moderate-income households;
- 9 (ii) Documenting programs and actions needed to achieve housing 10 availability including gaps in local funding, barriers such as 11 development regulations, and other limitations;
- 12 (iii) Consideration of housing locations in relation to 13 employment location; and
- 14 (iv) Consideration of the role of accessory dwelling units in 15 meeting housing needs;
- 16 (e) Identifies local policies and regulations that result in 17 racially disparate impacts, displacement, and exclusion in housing, 18 including:
 - (i) Zoning that may have a discriminatory effect;
 - (ii) Disinvestment; and

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- (iii) Infrastructure availability;
- (f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;
 - (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
 - (h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

In 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. The housing element should link jurisdictional goals with overall county goals to ensure that the housing element goals are met.

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The adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city that is required or chooses to plan under RCW 36.70A.040 that increase housing capacity, increase housing affordability, and mitigate displacement as required under this subsection (2) and that apply outside of critical areas are not subject to administrative or judicial appeal under chapter 43.21C RCW unless the adoption of such ordinances, development regulations and amendments to such regulations, or other nonproject actions has a probable significant adverse impact on fish habitat.

- (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.
- (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.
- 39 (b) Rural development. The rural element shall permit rural 40 development, forestry, and agriculture in rural areas. The rural

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- 1 element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed 2 to serve the permitted densities and uses. To achieve a variety of 3 rural densities and uses, counties may provide for clustering, 4 density transfer, design guidelines, conservation easements, and 5 6 other innovative techniques that will accommodate appropriate rural 7 economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character. 8
- 9 (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)) Controlling rural development;

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- 14 (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- 16 (iii) Reducing the inappropriate conversion of undeveloped land 17 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 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.

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- (C) Any development or redevelopment in terms of building size, scale, use, or intensity ((may be permitted subject to confirmation from all existing providers of public facilities and public services of sufficient capacity of existing public facilities and public services to serve any new or additional demand from the new development or redevelopment)) shall be consistent with the needs of the people in those communities, including access to domestic water, storm, and sanitary sewer systems that are feasible and affordable for the location. 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) and is consistent with the local character. Any commercial development or redevelopment within a mixed-use area must be principally designed to serve the existing and projected rural population and must meet the following requirements:
 - (I) Any included retail or food service space must not exceed the footprint of previously occupied space or 5,000 square feet, whichever is greater, for the same or similar use; and

- (II) Any included retail or food service space must not exceed 2,500 square feet for a new use;
- (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(23). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an

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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(23). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use, and shall be provided in a manner that ((does not permit)) moderates low-density sprawl;

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- (iv) A county shall adopt measures to minimize and contain the existing areas of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas shall not extend beyond the logical outer boundary of the existing area, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;
- 24 (v) For purposes of this subsection (5)(d), an existing area or 25 existing use is one that was in existence:
 - (A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;
 - (B) On the date the county adopted a resolution under RCW 36.70 A. 040 (2), in a county that is planning under all of the provisions of this chapter under RCW 36.70 A. 040 (2); or
- 31 (C) On the date the office of financial management certifies the 32 county's population as provided in RCW 36.70A.040(5), in a county 33 that is planning under all of the provisions of this chapter pursuant 34 to RCW 36.70A.040(5).
 - (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.
- 39 (6) A transportation element that implements, and is consistent 40 with, the land use element.

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- 1 (a) The transportation element shall include the following 2 subelements:
 - (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;
- 38 (E) Forecasts of traffic for at least ten years based on the 39 adopted land use plan to provide information on the location, timing, 40 and capacity needs of future growth;

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- (F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned 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

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financial commitment is in place to complete the improvements or 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 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. 5.** RCW 36.70A.110 and 2022 c 252 s 4 are each amended to 31 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

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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. When a federally recognized Indian tribe whose reservation or ceded lands lie within the county or city has voluntarily chosen to participate in the planning process pursuant to RCW 36.70A.040, the county or city and the tribe shall coordinate their planning efforts for any areas planned for urban growth consistent with the terms outlined in the memorandum of agreement provided for in RCW 36.70A.040(8).

(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 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.

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

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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.

- 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 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.)) Urban governmental services may be extended beyond the city and urban growth areas to meet the needs of the people living within those communities, including access to publicly provided domestic water, storm, and sanitary sewer systems.
- (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 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 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

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- 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:
- (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:
- 23 (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:
- 39 (I) The permissible use of the land is limited to one of the 40 following: Outdoor recreation; environmentally beneficial projects,

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- including but not limited to habitat enhancement or environmental restoration; stormwater facilities; flood control facilities; or underground conveyances; and
- 4 (II) The development and use of such facilities or projects will 5 not decrease flood storage, increase stormwater runoff, discharge 6 pollutants to fresh or salt waters during normal operations or 7 floods, or increase hazards to people and property.
- 8 (c) For the purposes of this subsection (8), "one hundred year 9 floodplain" means the same as "special flood hazard area" as set 10 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:
 - (a) (i) Have existing, functioning, nonpolluting on-site sewage systems;
- 20 (ii) Have a periodic inspection program by a public agency to 21 verify the on-site sewage systems function properly and do not 22 pollute surface or groundwater; and
 - (iii) Have no redevelopment capacity; or

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- 24 (b) Do not require sewer service because development densities 25 are limited due to wetlands, floodplains, fish and wildlife habitats, 26 or geological hazards.
- 27 (10) The provision of water, sanitary sewage systems, and storm 28 drains may be used to protect basic public health, safety, and the 29 environment on properties outside of city and urban growth area 30 boundaries.
- 31 **Sec. 6.** RCW 36.70A.280 and 2011 c 360 s 17 are each amended to 32 read as follows:
- 33 (1) The growth management hearings board shall hear and determine only those petitions alleging either:
- 35 (a) That, except as provided otherwise by this subsection, a 36 state agency, county, or city planning under this chapter is not in 37 compliance with the requirements of this chapter, chapter 90.58 RCW 38 as it relates to the adoption of shoreline master programs or 39 amendments thereto, or chapter 43.21C RCW as it relates to plans,

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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)) due to the existence of or extension of water, storm drainage, or

sewerage systems beyond city or urban growth area boundaries;

- (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;
- 9 (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
- 15 (e) That a department certification under RCW 36.70A.735(1)(c) is 16 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"

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- 1 population projection." None of these changes shall affect the
- 2 official state and county population forecasts prepared by the office
- 3 of financial management, which shall continue to be used for state
- 4 budget and planning purposes.

- **Sec. 7.** RCW 36.70A.320 and 1997 c 429 s 20 are each amended to fead as follows:
 - (1) Except as provided in subsection (5) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.
 - (2) Except as otherwise provided in subsection (4) of this section, the burden is on the petitioner to demonstrate that any action taken by a state agency, county, or city under this chapter is not in compliance with the requirements of this chapter.
 - (3) In any petition under this chapter, the board, after full consideration of the petition, shall determine whether there is compliance with the requirements of this chapter. In making its determination, the board shall consider the criteria adopted by the department under RCW 36.70A.190(4). The board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter.
 - A finding of noncompliance may not be based on the provision of water, sewer, or storm water facilities or services extended outside of a city's boundaries, including if such facilities or services are inconsistent with the comprehensive plans of the city or county, development regulations, or other plan or policy created to implement this chapter, nor shall state funding be restricted or reduced for such a reason.
 - (4) A county or city subject to a determination of invalidity made under RCW 36.70A.300 or 36.70A.302 has the burden of demonstrating that the ordinance or resolution it has enacted in response to the determination of invalidity will no longer substantially interfere with the fulfillment of the goals of this chapter under the standard in RCW 36.70A.302(1).
- 35 (5) The shoreline element of a comprehensive plan and the 36 applicable development regulations adopted by a county or city shall 37 take effect as provided in chapter 90.58 RCW.

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- 1 **Sec. 8.** RCW 36.70B.040 and 1997 c 429 s 46 are each amended to read as follows:
 - (1) A proposed project's consistency with a local government's development regulations adopted under chapter 36.70A RCW, or, in the absence of applicable development regulations, the appropriate elements of the comprehensive plan adopted under chapter 36.70A RCW shall be decided by the local government during project review by consideration of:
 - (a) The type of land use;

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- 10 (b) The level of development, such as units per acre or other 11 measures of density;
- 12 (c) Infrastructure, including public facilities and services 13 needed to serve the development; and
- 14 (d) The characteristics of the development, such as development 15 standards.
 - (2) In deciding whether a project is consistent, the determinations made pursuant to RCW 36.70B.030(2) shall be controlling.
 - (3) For purposes of this section, the term "consistency" shall include all terms used in this chapter and chapter 36.70A RCW to refer to performance in accordance with this chapter and chapter 36.70A RCW, including but not limited to compliance, conformity, and consistency.
 - (4) Nothing in this section requires documentation, dictates an agency's procedures for considering consistency, or limits a city or county from asking more specific or related questions with respect to any of the four main categories listed in subsection (1)(a) through (d) of this section.
 - (5) (a) The department of ((community, trade, and economic development)) commerce is authorized to develop and adopt by rule criteria to assist local governments planning under RCW 36.70A.040 to analyze the consistency of project actions. These criteria shall be jointly developed with the department of ecology.
- 34 (b) Issuance of permits for water, sewerage, or storm water 35 facilities in accordance with this act may be permitted during the 36 time that the existing rules are in place and the updated rules are 37 being created where the existing rules would restrict what this act 38 authorizes to happen.

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Sec. 9. 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 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

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1 (b) An owner or owners of property consisting of five percent of 2 the assessed valuation within such area;

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(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.

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.

- 18 **Sec. 10.** RCW 36.93.105 and 1999 c 153 s 46 are each amended to 19 read as follows:
- The following actions shall not be subject to potential review by a boundary review board:
- 22 (1) The extension of permanent water or sewer services outside of 23 its existing corporate boundaries by a city, town, or special purpose 24 district;
- 25 (2) Annexations of territory to a water-sewer district pursuant to RCW 36.94.410 through 36.94.440;
- 27 $((\frac{(2)}{(2)}))$ Revisions of city or town boundaries pursuant to RCW 35.21.790 or 35A.21.210;
- 29 $((\frac{3}{3}))$ $\underline{(4)}$ Adjustments to city or town boundaries pursuant to 30 RCW 35.13.340; and
- 31 (((4))) (5) Adjustments to city and town boundaries pursuant to 32 RCW 35.13.300 through 35.13.330.
- 33 <u>NEW SECTION.</u> **Sec. 11.** The following acts or parts of acts are 34 each repealed:
- 35 (1) RCW 35.67.022 (Extension outside city subject to review by 36 boundary review board) and 1989 c 84 s 32; and

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- 1 (2) RCW 35.91.025 (Extension outside city subject to review by 2 boundary review board) and 1989 c 84 s 33.
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