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## ENGROSSED SUBSTITUTE SENATE BILL 6170

State of Washington 62nd Legislature 2012 Regular Session

By Senate Energy, Natural Resources & Marine Waters (originally sponsored by Senators Ranker, Hargrove, King, Hatfield, Harper, Shin, and Conway)

READ FIRST TIME 02/03/12.

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AN ACT Relating to the working waterfront redevelopment jobs act; amending RCW 77.55.021, 90.58.147, and 90.58.355; reenacting and amending RCW 43.21B.110 and 43.21B.110; adding a new section to chapter 79.105 RCW; adding a new chapter to Title 77 RCW; creating new sections; providing an effective date; and providing expiration dates.

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

NEW\_SECTION. Sec. 1. The legislature finds that the state's marine shorelines are a cornerstone of the state's wealth in both environmental and economic values. The state's extensive coastal and Puget Sound shorelines were the reason that the state has a rich tradition of marine-related occupations and many communities today still depend upon marine-related commerce and jobs for their economic vitality.

The legislature further finds that shoreline ecological functions have been degraded on many lands on which industrial and commercial facilities have been operated, and that there exists many opportunities for new or expanded commercial or industrial activities that offer both new, economically beneficial reuse of the property, while also restoring some of the lost ecological functions.

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Therefore, it is the purpose of this act to provide a voluntary alternative procedure for satisfying some of the state and local regulatory approvals for job-creating projects involving redevelopment on lands zoned for commercial and industrial uses and incorporating within the project design elements that will provide a net benefit for ecological functions on those lands.

NEW SECTION. Sec. 2. (1) To be eligible for the permit review and approval process created in this section, a marine areas redevelopment and restoration project must:

- (a) Be located on a site adjacent to or including marine shorelands in which commercial and industrial uses are allowable uses under the applicable city or county shoreline master program;
  - (b) Generate at least ten jobs on an ongoing basis;
- 14 (c) Involve the redevelopment and reuse of lands on which previous 15 uses have substantially degraded shoreline ecological functions;
  - (d) Include elements that, when fully implemented, will lead to a net contribution to shoreline ecological functions on a substantial portion of the project site;
  - (e) Provide for protection of fish life consistent with the substantive requirements of chapter 77.55 RCW;
  - (f) Be consistent with and further the goals and objectives of the local government shoreline master program and any applicable development regulations;
  - (g) Be determined appropriate for review under this section under the criteria adopted under subsection (6) of this section; and
- 26 (h) Not require preparation of a detailed statement under RCW 27 43.21C.030(2)(c).
  - (2) No local government may require a substantial development permit under chapter 90.58 RCW or require a permit or other approval upon the project under chapter 36.70A RCW for projects that meet the criteria of subsection (1) of this section and that are reviewed and approved according to the provisions of this section.
  - (3) An applicant seeking review and approval under this section shall file with the department an application using the joint aquatic resource permit application form, together with additional information as the department may require to determine the project's eligibility for review under this section and to determine whether a permit should

be issued. On the same day, the applicant shall provide copies of the completed application form to the department of natural resources, the department of ecology, the department of health, and to the appropriate city or county administering the applicable shoreline master program covering the project site.

- (4) The department shall provide a thirty day period in which public comments are solicited, as well as comments from the department of ecology, the department of natural resources, the department of health, the city or county, and appropriate tribes. The department may grant an extension of not more than an additional twenty-one days for the receipt of comments, but may not thereafter delay review of the application under subsection (5) of this section.
- (5)(a) The department shall approve the application, approve the application with mitigation conditions, deny approval of the application, or determine that the review and approval process created by this section is not appropriate for the proposed project, within forty-five days from the end of the comment period as determined by the department under subsection (4) of this section.
- (b) The department shall approve the application when it determines that the project meets the criteria provided under subsection (1) of this section.
- (6) The department shall determine that the review and approval process created by this section is not appropriate for the proposed project: If the department, upon consideration of the comments submitted, identifies public health and safety concerns or environmental impacts that cannot be mitigated; or a local government provides written notice to the department during the thirty day review period under subsection (4) of this section that it finds the project is inconsistent with subsection (1)(f) of this section.
- (7) If the department determines that the review and approval process created by this section is not appropriate for the proposed project, the department shall notify the applicant.
- (8) The department's denial of a permit application or determination that the application is not appropriate for review under this section does not prevent the applicant from seeking approval of the permits that would otherwise have not been required if the project had been permitted under this section.

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- 1 (9) Any person aggrieved by the approval, approval with conditions, 2 denial, or the modification of a permit under this section may appeal 3 the decision as provided in RCW 43.21B.110.
  - (10) For the purposes of this section, "marine permit" or "permit" means the permit authorized to be issued to qualifying marine areas redevelopment and restoration projects under this section.
- **Sec. 3.** RCW 77.55.021 and 2010 c 210 s 27 are each amended to read 8 as follows:
  - (1) Except as provided in RCW 77.55.031, 77.55.051, section 2 of this act, and RCW 77.55.041, in the event that any person or government agency desires to undertake a hydraulic project, the person or government agency shall, before commencing work thereon, secure the approval of the department in the form of a permit as to the adequacy of the means proposed for the protection of fish life.
- 15 (2) A complete written application for a permit may be submitted in 16 person or by registered mail and must contain the following:
  - (a) General plans for the overall project;
  - (b) Complete plans and specifications of the proposed construction or work within the mean higher high water line in saltwater or within the ordinary high water line in freshwater;
- 21 (c) Complete plans and specifications for the proper protection of 22 fish life; and
  - (d) Notice of compliance with any applicable requirements of the state environmental policy act, unless otherwise provided for in this chapter.
  - (3)(a) Protection of fish life is the only ground upon which approval of a permit may be denied or conditioned. Approval of a permit may not be unreasonably withheld or unreasonably conditioned. Except as provided in this subsection and subsections (8), (10), and (12) of this section, the department has forty-five calendar days upon receipt of a complete application to grant or deny approval of a permit. The forty-five day requirement is suspended if:
  - (i) After ten working days of receipt of the application, the applicant remains unavailable or unable to arrange for a timely field evaluation of the proposed project;
    - (ii) The site is physically inaccessible for inspection;
    - (iii) The applicant requests a delay; or

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1 (iv) The department is issuing a permit for a storm water discharge 2 and is complying with the requirements of RCW 77.55.161(3)(b).

- (b) Immediately upon determination that the forty-five day period is suspended, the department shall notify the applicant in writing of the reasons for the delay.
- (c) The period of forty-five calendar days may be extended if the permit is part of a multiagency permit streamlining effort and all participating permitting agencies and the permit applicant agree to an extended timeline longer than forty-five calendar days.
- (4) If the department denies approval of a permit, the department shall provide the applicant a written statement of the specific reasons why and how the proposed project would adversely affect fish life.
- (a) Except as provided in (b) of this subsection, issuance, denial, conditioning, or modification of a permit shall be appealable to the board within thirty days from the date of receipt of the decision as provided in RCW 43.21B.230.
- (b) Issuance, denial, conditioning, or modification of a permit may be informally appealed to the department within thirty days from the date of receipt of the decision. Requests for informal appeals must be filed in the form and manner prescribed by the department by rule. A permit decision that has been informally appealed to the department is appealable to the board within thirty days from the date of receipt of the department's decision on the informal appeal.
- (5)(a) The permittee must demonstrate substantial progress on construction of that portion of the project relating to the permit within two years of the date of issuance.
- (b) Approval of a permit is valid for a period of up to five years from the date of issuance, except as provided in (c) of this subsection and in RCW 77.55.151.
- (c) A permit remains in effect without need for periodic renewal for hydraulic projects that divert water for agricultural irrigation or stock watering purposes and that involve seasonal construction or other work. A permit for streambank stabilization projects to protect farm and agricultural land as defined in RCW 84.34.020 remains in effect without need for periodic renewal if the problem causing the need for the streambank stabilization occurs on an annual or more frequent basis. The permittee must notify the appropriate agency before

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commencing the construction or other work within the area covered by the permit.

- (6) The department may, after consultation with the permittee, modify a permit due to changed conditions. The modification is appealable as provided in subsection (4) of this section. For hydraulic projects that divert water for agricultural irrigation or stock watering purposes, or when the hydraulic project or other work is associated with streambank stabilization to protect farm and agricultural land as defined in RCW 84.34.020, the burden is on the department to show that changed conditions warrant the modification in order to protect fish life.
- (7) A permittee may request modification of a permit due to changed conditions. The request must be processed within forty-five calendar days of receipt of the written request. A decision by the department is appealable as provided in subsection (4) of this section. For hydraulic projects that divert water for agricultural irrigation or stock watering purposes, or when the hydraulic project or other work is associated with streambank stabilization to protect farm and agricultural land as defined in RCW 84.34.020, the burden is on the permittee to show that changed conditions warrant the requested modification and that such a modification will not impair fish life.
- (8)(a) The department, the county legislative authority, or the governor may declare and continue an emergency. If the county legislative authority declares an emergency under this subsection, it shall immediately notify the department. A declared state of emergency by the governor under RCW 43.06.010 shall constitute a declaration under this subsection.
- (b) The department, through its authorized representatives, shall issue immediately, upon request, oral approval for a stream crossing, or work to remove any obstructions, repair existing structures, restore streambanks, protect fish life, or protect property threatened by the stream or a change in the stream flow without the necessity of obtaining a written permit prior to commencing work. Conditions of the emergency oral permit must be established by the department and reduced to writing within thirty days and complied with as provided for in this chapter.
  - (c) The department may not require the provisions of the state

environmental policy act, chapter 43.21C RCW, to be met as a condition of issuing a permit under this subsection.

- (9) All state and local agencies with authority under this chapter to issue permits or other authorizations in connection with emergency water withdrawals and facilities authorized under RCW 43.83B.410 shall expedite the processing of such permits or authorizations in keeping with the emergency nature of such requests and shall provide a decision to the applicant within fifteen calendar days of the date of application.
- (10) The department or the county legislative authority may determine an imminent danger exists. The county legislative authority shall notify the department, in writing, if it determines that an imminent danger exists. In cases of imminent danger, the department shall issue an expedited written permit, upon request, for work to remove any obstructions, repair existing structures, restore banks, protect fish resources, or protect property. Expedited permit requests require a complete written application as provided in subsection (2) of this section and must be issued within fifteen calendar days of the receipt of a complete written application. Approval of an expedited permit is valid for up to sixty days from the date of issuance. The department may not require the provisions of the state environmental policy act, chapter 43.21C RCW, to be met as a condition of issuing a permit under this subsection.
- (11)(a) For any property, except for property located on a marine shoreline, that has experienced at least two consecutive years of flooding or erosion that has damaged or has threatened to damage a major structure, water supply system, septic system, or access to any road or highway, the county legislative authority may determine that a chronic danger exists. The county legislative authority shall notify the department, in writing, when it determines that a chronic danger exists. In cases of chronic danger, the department shall issue a permit, upon request, for work necessary to abate the chronic danger by removing any obstructions, repairing existing structures, restoring banks, restoring road or highway access, protecting fish resources, or protecting property. Permit requests must be made and processed in accordance with subsections (2) and (3) of this section.
- (b) Any projects proposed to address a chronic danger identified under (a) of this subsection that satisfies the project description

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- identified in RCW 77.55.181(1)(a)(ii) are not subject to the provisions of the state environmental policy act, chapter 43.21C RCW. However, the project is subject to the review process established in RCW 77.55.181(3) as if it were a fish habitat improvement project.
- 5 (12) The department may issue an expedited written permit in those instances where normal permit processing would result in significant 6 7 hardship for the applicant or unacceptable damage to the environment. Expedited permit requests require a complete written application as 8 provided in subsection (2) of this section and must be issued within 9 10 fifteen calendar days of the receipt of a complete written application. Approval of an expedited permit is valid for up to sixty days from the 11 date of issuance. The department may not require the provisions of the 12
- state environmental policy act, chapter 43.21C RCW, to be met as a condition of issuing a permit under this subsection.
- 15 (13) A marine areas redevelopment and restoration project issued a
  16 marine permit under section 2 of this act is exempt from the permit
  17 required by this section, but the department shall ensure compliance
  18 with the substantive requirements of this chapter.
- 19 **Sec. 4.** RCW 90.58.147 and 2003 c 39 s 49 are each amended to read 20 as follows:
  - (1) A public or private project that is designed to improve fish or wildlife habitat or fish passage shall be exempt from the substantial development permit requirements of this chapter when all of the following apply:
  - (a) The project has been approved by the department of fish and wildlife;
  - (b) The project has received hydraulic project approval by the department of fish and wildlife pursuant to chapter 77.55 RCW; and
  - (c) The local government has determined that the project is substantially consistent with the local shoreline master program. The local government shall make such determination in a timely manner and provide it by letter to the project proponent.
  - (2) Fish habitat enhancement projects that conform to the provisions of RCW ((77.55.290)) 77.55.181 are determined to be consistent with local shoreline master programs.
- 36 (3) A marine areas redevelopment and restoration project issued a

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- 1 marine permit under section 2 of this act is exempt from obtaining any
- 2 permits and other approvals required by this chapter or the local
- 3 <u>shoreline master program.</u>
- 4 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 79.105 RCW 5 to read as follows:
- The department shall provide a priority in processing requests for the use or lease of state-owned aquatic lands for projects permitted or under review pursuant to section 2 of this act. Upon receipt of an application for an aquatic use authorization or a lease, the department shall process the request within sixty days, unless the department
- 11 notifies the applicant of the reasons for which additional time will be
- 12 required to process the application.
- 13 **Sec. 6.** RCW 43.21B.110 and 2010 c 210 s 7 and 2010 c 84 s 2 are each reenacted and amended to read as follows:
- 15 (1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, and the parks and recreation commission:
- 22 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 76.09.170, 77.55.291, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.
- 25 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 26 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 27 90.14.130, 90.46.250, 90.48.120, and 90.56.330.
- 28 (c) A final decision by the department or director made under 29 chapter 183, Laws of 2009.
- 30 (d) Except as provided in RCW 90.03.210(2), the issuance, 31 modification, or termination of any permit, certificate, or license by 32 the department or any air authority in the exercise of its 33 jurisdiction, including the issuance or termination of a waste disposal 34 permit, the denial of an application for a waste disposal permit, the 35 modification of the conditions or the terms of a waste disposal permit,

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or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

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- (e) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.
  - (f) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.
  - (g) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.
  - (h) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.
  - (i) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter  $34.05\ RCW$ .
  - (j) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).
- (k) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.
  - (1) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW.
- (m) <u>Decisions of the department of fish and wildlife to issue,</u> deny, condition, or modify a marine areas redevelopment and restoration permit under section 2 of this act.
- (n) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.
- $((\frac{n}{n}))$  (o) Decisions of a state agency that is an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable under RCW 79.100.120.

- 1 (2) The following hearings shall not be conducted by the hearings 2 board:
- 3 (a) Hearings required by law to be conducted by the shorelines 4 hearings board pursuant to chapter 90.58 RCW.
- 5 (b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.
- 7 (c) Appeals of decisions by the department under RCW 90.03.110 and 8 90.44.220.
- 9 (d) Hearings conducted by the department to adopt, modify, or 10 repeal rules.
- 11 ((<del>(e) Appeals of decisions by the department as provided in chapter</del>
  12 43.21L RCW.))
- 13 (3) Review of rules and regulations adopted by the hearings board 14 shall be subject to review in accordance with the provisions of the 15 administrative procedure act, chapter 34.05 RCW.
- 16 Sec. 7. RCW 43.21B.110 and 2010 c 210 s 8 and 2010 c 84 s 3 are each reenacted and amended to read as follows:

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- (1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, and the parks and recreation commission:
- 25 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 76.09.170, 77.55.291, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.
- 28 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 29 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 30 90.14.130, 90.46.250, 90.48.120, and 90.56.330.
- 31 (c) Except as provided in RCW 90.03.210(2), the issuance, 32 modification, or termination of any permit, certificate, or license by 33 the department or any air authority in the exercise of its 34 jurisdiction, including the issuance or termination of a waste disposal 35 permit, the denial of an application for a waste disposal permit, the 36 modification of the conditions or the terms of a waste disposal permit,

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- or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.
  - (d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.

- (e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.
- (f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.
- (g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.
- (h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter  $34.05\ RCW$ .
- (i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).
- (j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.
- (k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW.
- (1) <u>Decisions of the department of fish and wildlife to issue,</u> deny, condition, or modify a marine areas redevelopment and restoration permit under section 2 of this act.
- (m) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.
- $((\frac{m}{}))$  (n) Decisions of a state agency that is an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable under RCW 79.100.120.

- 1 (2) The following hearings shall not be conducted by the hearings 2 board:
- 3 (a) Hearings required by law to be conducted by the shorelines 4 hearings board pursuant to chapter 90.58 RCW.
- 5 (b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.
- 7 (c) Appeals of decisions by the department under RCW 90.03.110 and 8 90.44.220.
- 9 (d) Hearings conducted by the department to adopt, modify, or 10 repeal rules.
- 11 ((<del>(e) Appeals of decisions by the department as provided in chapter</del>
  12 43.21L RCW.))
- 13 (3) Review of rules and regulations adopted by the hearings board 14 shall be subject to review in accordance with the provisions of the 15 administrative procedure act, chapter 34.05 RCW.
- 16 **Sec. 8.** RCW 90.58.355 and 1994 c 257 s 20 are each amended to read 17 as follows:
- The procedural requirements of this chapter shall not apply to any person:
  - (1) Conducting a remedial action at a facility pursuant to a consent decree, order, or agreed order issued pursuant to chapter 70.105D RCW, or to the department of ecology when it conducts a remedial action under chapter 70.105D RCW. The department of ecology shall ensure compliance with the substantive requirements of this chapter through the consent decree, order, or agreed order issued pursuant to chapter 70.105D RCW, or during the department-conducted remedial action, through the procedures developed by the department pursuant to RCW 70.105D.090; or
- 29 (2) Implementing best management practices in accordance with a
  30 storm water pollution prevention plan for an existing facility to meet
  31 requirements of a national pollutant discharge elimination system storm
  32 water general permit. The local government and department of ecology
  33 shall ensure compliance with the substantive requirements of this
- 34 <u>chapter</u>.

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35 <u>NEW SECTION.</u> **Sec. 9.** The department shall solicit comments from and coordinate with state agencies and local governments with expertise

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- 1 relevant to a marine areas redevelopment and restoration project
- 2 application during the comment and review period provided in section 2
- 3 (4) and (5) of this act in order to inform the determinations required
- 4 under section 2 (5) and (6) of this act.
- 5 <u>NEW SECTION.</u> **Sec. 10.** (1) Consistent with RCW 43.01.036, the
- 6 department of fish and wildlife must submit a report to the appropriate
- 7 standing committees of the senate and house of representatives by
- 8 September 1, 2014, that includes an update on the implementation of the
- 9 marine areas redevelopment and restoration project permitting process
- 10 established under section 2 of this act, including: A summary of
- 11 projects permitted under that authority; the disposition of
- 12 applications conditioned, denied, or deemed inappropriate for review
- 13 under the process; and any legislative recommendations.
- 14 (2) This section expires June 30, 2015.
- 15 <u>NEW\_SECTION.</u> **Sec. 11.** Section 6 of this act expires June 30,
- 16 2019.
- 17 <u>NEW SECTION.</u> **Sec. 12.** Section 7 of this act takes effect June 30,
- 18 2019.
- 19 <u>NEW SECTION.</u> **Sec. 13.** Sections 2 and 9 of this act constitute a
- 20 new chapter in Title 77 RCW.
- 21 <u>NEW SECTION.</u> **Sec. 14.** This act shall be known and may be cited as
- the "working waterfront redevelopment jobs act."

--- END ---