

HOUSE BILL REPORT

SHB 2219

As Passed House:
February 11, 2006

Title: An act relating to urban industrial land banks.

Brief Description: Expanding eligibility for urban industrial land banks.

Sponsors: By House Committee on Local Government (originally sponsored by Representatives Hunt, DeBolt, Williams and Alexander).

Brief History:

Committee Activity:

Local Government: 1/12/06, 1/30/06 [DPS].

Floor Activity:

Passed House: 2/11/06, 95-0.

Brief Summary of Substitute Bill

- Authorizes eligible counties that are adjacent to a major railroad connection and in close proximity to an interstate freeway to create an urban industrial land bank.
- Extends the deadline for eligible counties to engage in the urban industrial land bank planning process.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Simpson, Chair; Clibborn, Vice Chair; Schindler, Ranking Minority Member; Ahern, Assistant Ranking Minority Member; B. Sullivan, Takko and Woods.

Staff: Thamas Osborn (786-7129).

Background:

Major Industrial Development Pilot Project.

In 1996 the Legislature amended the Growth Management Act (GMA) to authorize a pilot project under which areas for major industrial development could be established, and expeditiously sited, outside urban growth areas (UGAs). Among other provisions, the pilot project legislation: (a) allowed only certain counties to participate in the project, such participation being contingent, in part, on meeting detailed criteria relating to population,

geographic location, and unemployment statistics; (b) established criteria for siting these developments within designated banks of land; and (c) provided for amending comprehensive plans adopted under the GMA to implement these provisions. The provisions of the original pilot project have been amended several times to modify the applicability criteria and termination dates.

Industrial Land Banks Definition.

"Industrial land bank" is defined to mean up to two master planned locations, each consisting of a parcel or parcels of contiguous land, sufficiently large so as not to be readily available within the UGA of a city, or otherwise meeting specified criteria. The definition specifies that the land bank must be suitable for manufacturing, industrial, or commercial businesses and designated by the county through the comprehensive planning process specifically for major industrial use.

Master Planned Locations Establishment Criteria.

Eligible counties may establish up to two master planned locations for major industrial activity within an urban industrial land bank (land bank) located outside UGAs. Among other criteria for establishing major industrial developments within designated land banks, eligible counties must provide for new infrastructure, determine the feasibility of alternate sites, and satisfy specific development regulation requirements. Additionally, when selecting locations for inclusion within a land bank, counties must give priority to locations adjacent to, or in close proximity to, a UGA.

Comprehensive Planning Process Locating Industrial Developments in Land Banks.

An eligible county must complete a comprehensive planning process before a master planned location for a major industrial development may be included in an industrial land bank. The planning process must ensure that the following criteria are met:

- development regulations are adopted to ensure that urban growth will not occur in adjacent non-urban areas;
- the master plan for the major industrial development is consistent with development regulations adopted for protection of critical areas;
- an inventory of developable land has been conducted;
- provisions are established for determining the availability of qualifying alternate sites; and
- development regulations are adopted to require, in part, that the land bank site is to be used primarily for locating industrial and manufacturing businesses.

Development Regulations and Authorization of Specific Major Industrial Developments.

An eligible county must adopt development regulations establishing the criteria that must be met before the siting of a specific major industrial development within an approved industrial land bank may be authorized. These criteria must ensure that:

- new infrastructure is provided for and/or applicable impact fees are paid;
- transit-oriented site planning and traffic demand management programs are implemented;

- buffers are provided between the major industrial development and adjacent non-urban areas;
- environmental protection including air and water quality has been addressed and provided for;
- provision is made to mitigate adverse impacts on designated agricultural lands, forest lands, and mineral resource lands; and
- an interlocal agreement related to infrastructure cost sharing and revenue sharing between the county and interested cities is established.

The approval of specific proposals for siting specific major industrial developments requires no further comprehensive plan amendment.

County Eligibility Criteria for the Creation of Master Planned Industrial Development.

The GMA allows only certain counties to be eligible for participation in the urban industrial land bank designation process. The eligible counties are categorized into two groupings that are differentiated according to the expiration date of their authority to engage in the land bank development process. The expiration of such authority for one group of counties is December 31, 2007. The expiration of such authority for the other group of counties was December 31, 2002.

To be included in the group of counties whose authority expires on December 31, 2007, a county must meet one of several sets of criteria that include detailed requirements related to population, geographic location, and unemployment statistics. These eligibility criteria allow the inclusion of counties that meet one of the following sets of conditions:

- has a population greater than 250,000 and is part of a metropolitan area that includes a city in another state subject to the same population requirement;
- has a population greater than 140,000 and is adjacent to another country;
- has a population greater than 40,000 but less than 75,000 and meet other specified criteria regarding unemployment statistics and geographic requirements;
- is east of the Cascade divide and borders another state to the south or is located wholly south of Interstate 90 and borders the Columbia River to the east; or
- has an average population density of less than 100 persons per square mile and is bordered by the Pacific Ocean and by the Hood Canal.

Summary of Substitute Bill:

The number of counties authorized to create an urban industrial land bank is expanded by allowing such land banks in otherwise eligible counties that are: (1) adjacent to a major railroad connection; and (2) in close proximity to an interstate freeway.

The deadline for eligible counties to engage in the urban industrial land bank planning process is extended from December 31, 2007 until December 31, 2014.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This bill should be passed because it provides the opportunity for expanded economic development in the applicable counties. The purpose of the bill is to enable Thurston County and many other counties throughout the state to create urban industrial land banks. Under the bill, many eastern Washington counties, such as Kittitas, will be eligible to create urban industrial land banks. Counties that take advantage of the opportunity to develop the industrial land banks will reap economic benefits. Lewis County is in the process of developing industrial land banks and this is expected to promote economic development within the county.

Testimony Against: None.

Persons Testifying: Representative Hunt, prime sponsor; and Neil Amondson, Sovran Development.

Persons Signed In To Testify But Not Testifying: None.