

HOUSE BILL REPORT

SHB 3099

As Amended by the Senate

Title: An act relating to industrial developments.

Brief Description: Revising the definition of "major industrial development" for the purpose of growth management planning.

Sponsors: By House Committee on Government Reform & Land Use (originally sponsored by Representatives DeBolt, Kessler and Johnson).

Brief History:

Committee Activity:

Government Reform & Land Use: 2/5/98, 2/6/98 [DPS].

Floor Activity:

Passed House: 2/17/98, 95-0.

Senate Amended.

HOUSE COMMITTEE ON GOVERNMENT REFORM & LAND USE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Reams, Chairman; Cairnes, Vice Chairman; Sherstad, Vice Chairman; Romero, Ranking Minority Member; Lantz, Assistant Ranking Minority Member; Bush; Fisher; Gardner; Mielke; Mulliken and Thompson.

Staff: Joan Elgee (786-7135).

Background: Under the Growth Management Act (GMA), counties meeting specified growth criteria must adopt comprehensive plans that include a land use element, a rural element, a transportation element, and several other elements. A county that does not meet the growth criteria may choose to plan under the GMA.

Each county that plans under the GMA must designate an urban growth area sufficient to permit the urban growth expected to occur over the next 20 years. Counties must encourage urban growth within the urban growth areas, and may allow growth outside of the urban growth areas only if it is not urban in nature. Limited intensive rural development, including development of existing industrial areas, is allowed outside urban growth areas in the rural element and does not constitute urban growth.

The GMA contains several exceptions to the general prohibition of urban growth outside urban growth areas:

- **Fully contained communities** meeting certain criteria are permitted.
- **Master planned resorts**, which are self-contained and fully integrated planned unit developments in a setting of significant natural amenities, may be authorized if specified conditions are met.
- **Specific major industrial developments** may be sited outside urban growth areas if criteria are met. A major industrial development is a specific manufacturing, industrial, or commercial business that either: (1) requires a parcel of land so large that no suitable parcels exist within urban growth areas; or (2) is a natural resource-based industry requiring a location near resource land upon which it is dependent.
- **Industrial land banks** are permitted on a pilot basis. In 1996, the Legislature authorized Clark County to designate a bank of no more than two master planned locations for major industrial activity outside urban growth areas. In 1997, legislation was enacted (ESB 5915) expanding this authority to include Whatcom County.

The land bank authority allows designation of locations suitable for manufacturing or industrial businesses that: (1) requires a parcel of land so large that no suitable parcels are available within the urban growth area; (2) are natural resource-based industries requiring a location near resource land upon which it is dependent; or (3) require a location with characteristics such as proximity to transportation facilities or related industries such that there is no suitable location in an urban growth area. The bank may not be for retail commercial development or multitenant office parks.

The following criteria must be met to establish a location for a bank:

- (1) New infrastructure is provided for or impact fees are paid;
- (2) Transit-oriented site planning and traffic demand management programs are implemented;
- (3) Buffers are provided between the development and adjacent nonurban areas;
- (4) Environmental protection including air and water quality has been addressed and provided for;
- (5) Development regulations are established to ensure that urban growth will not occur in adjacent nonurban areas;
- (6) Adverse impacts on resource lands are mitigation;
- (7) The plan for the development is consistent with critical areas regulations; and
- (8) An inventory has been conducted and the county has found that land suitable to site the location is unavailable within the urban growth area.

The authority to include master planned locations in a bank terminates on December 31, 1998.

Summary of Bill: Lewis County, in addition to Clark and Whatcom Counties, may establish an industrial land bank. The authorization to establish banks is extended to December 31, 1999.

EFFECT OF SENATE AMENDMENT(S): Intent language is added stating the legislature's purpose to authorize additional pilot projects for major industrial activity in economically disadvantaged counties. The additional counties authorized are those with populations between 40,000 and 75,000 and unemployment exceeding the state average by 20 percent for the preceding years, and that are either bordered by the Pacific Ocean or in the I-5 or I-90 corridors. The effect would be to add Lewis, Grant, and Clallam counties.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: In Lewis County, there is no land over 20 acres within the urban growth area for industrial parks. Lewis County is trying to attract new businesses to get family wage jobs but it's nearly impossible without land. Lewis County is the only I-5 community with such a low average wage.

Testimony Against: None.

Testified: Representative Richard DeBolt, prime sponsor (pro); Bill Lotto, Lewis County Economic Development Board (pro); and Kyle Heaton, Lending Network (pro).