

HOUSE BILL REPORT

ESB 5915

As Reported By House Committee On:
Government Reform & Land Use

Title: An act relating to industrial land banks.

Brief Description: Allowing counties planning under the growth management act to establish industrial land banks as permissible urban growth outside of an urban growth area.

Sponsors: Senators Anderson, Hale, Bauer and Stevens.

Brief History:

Committee Activity:

Government Reform & Land Use: 4/2/97, 4/4/97 [DP].

HOUSE COMMITTEE ON GOVERNMENT REFORM & LAND USE

Majority Report: Do pass. Signed by 7 members: Representatives Reams, Chairman; Cairnes, Vice Chairman; Sherstad, Vice Chairman; Bush; Mielke; Mulliken and Thompson.

Minority Report: Without recommendation. Signed by 4 members: Representatives Romero, Ranking Minority Member; Lantz, Assistant Ranking Minority Member; Fisher and Gardner.

Staff: Kimberly Klaiber (786-7156).

Background: Under the Growth Management Act (GMA), each county and each city in counties that meet the GMA's requirements adopts a comprehensive plan that includes a list of elements and subjects set forth in the act. Counties and cities must include the following elements and subjects in a comprehensive plan: land use, housing, capital facilities plan, utilities, transportation, provisions designating the five types of critical areas, provisions designating the three types of natural resource lands, the goals and policies of the county's or city's shoreline master program adopted under the Shoreline Management Act, urban growth area designation, and rural element designation. A comprehensive plan also may include other elements and matters.

Counties and cities must also adopt *development regulations* consistent with their comprehensive plan and must designate and protect critical areas, designate and conserve certain natural resource lands, and designate urban growth areas. Among other requirements, each urban growth area must permit urban densities and must include greenbelt and open space areas. An urban growth area may include territory that is located outside of a city only if that territory is already characterized by or is adjacent to an area characterized by urban growth or is designated as a new, fully contained community.

Counties planning under the GMA may establish a process for reviewing and approving proposals to site specific major industrial developments outside urban growth areas. Major industrial development means a master planned location for a specific business that requires a parcel of land so large that

- none are available within an urban growth area, or
- the development is of a natural resource-based industry requiring a location near agricultural, forest, or mineral resource land.

The major industrial development is not for retail commercial development or multi-tenant office parks.

The development may be approved outside an urban growth area in a GMA county if certain criteria are met, including, but not limited to

- Infrastructure or payment of applicable impact fees or both are provided for;
- Traffic demand management programs are implemented;
- Buffers are provided between the development and adjacent nonurban areas;
- Environmental issues are addressed;
- Mitigation of adverse impacts is addressed;
- The plan for development is consistent with the county's development regulations protecting critical areas; and
- An inventory of developable land resulted in a determination that no other land suitable to site the development is available within the urban growth area.

Summary of Bill: Industrial developments and industrial land banks may be established as permissible urban growth outside of urban growth areas.

An industrial land bank is defined as a location designated for one or more manufacturing, industrial, commercial, or high-technology businesses, their related office uses, and incidental retail or commercial uses designed to serve or support the industrial land bank.

The county must find there is no suitable location in an existing urban growth area to locate the industrial land bank, and the location must be characterized by size or

proximity to transportation facilities, natural resources, or related industries. The industrial land bank is not for retail commercial development or multi-tenant office parks.

The industrial land bank location must be characterized by some existing industrial or commercial development or must be adjacent to an area characterized by such development, or the location must be characterized by a unique physical or locational characteristic that supports its designation as an industrial land bank.

To designate an industrial land bank, the county must find (a) after an inventory, no suitable location for the land bank is available within an existing urban growth area; (b) the industrial land bank is important to achieve *documented* state or county economic development goals; and (c) the necessary infrastructure is available or can be provided by private or public sources in a timely manner. A county may not designate more than two noncontiguous land bank locations.

A development proposal within an industrial land bank may be approved if certain criteria are met. Adequate infrastructure or applicable impact fees, or both, must be provided for, and transportation impacts must be addressed. Buffers are to be provided between the industrial land bank and adjacent nonurban areas. Development in the industrial land bank must be consistent with the county's development regulations protecting critical areas.

Counties planning under the GMA may designate an industrial land bank on the land use map when the comprehensive plan is being adopted or as an amendment to the plan.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The core idea is to give local government a tool to provide additional land for industrial development. It brings jobs to communities where not enough jobs exist. The bill is the product of consensus and is important for economic development. This will attract new industrial development to the state.

Testimony Against: There should be a waiting period to see how the Trillium site case study works in order to flesh out the details of the process of land bank designation. There are unsolved policy questions. There should be a higher level of planning and formal coordination among ports, economic development councils, and local governments with respect to siting industrial land banks. The term

commercial– as used in the bill is troubling because it contradicts the concept of a land bank. This may allow development where it is not allowed under current law.

Testified: Scott Hazlegrove, Association of Washington Business (pro); Sally Feldman, Washington Association of Realtors (pro); Steve Wells, Department of Community, Trade and Economic Development (pro with concerns); Mike Ryherd, 1000 Friends of Washington (concerns); Paul Parker, Washington State Association of Counties (pro); Dave Williams, Association of Washington Cities (pro with concerns); Michael Davolio, American Planning Association (con); Scott Merriman, Washington Environmental Council (con); and Paul Roberts, city of Everett (con).