HOUSE BILL REPORT
HB 2748

As Passed House:
February 17, 1998

Title: An act relating to allowing rural counties to authorize additional industrial development in rural areas.

Brief Description: Allowing rural counties to authorize additional industrial development in rural areas.

Sponsors: Representatives Mulliken, Thompson, Cairnes, Lantz, DeBolt, McMorris, Sherstad, Koster, Mielke, Sump, Bush, Johnson, Zellinsky, Boldt, Sheahan, Honeyford, Pennington, Schoesler, Chandler and Dunn.

Brief History:
Committee Activity:
Government Reform & Land Use: 2/2/98, 2/5/98 [DP].
Floor Activity:
Passed House: 2/17/98, 74-22.

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: Joan Elgee (786-7135).

Background: The Growth Management Act (GMA) was enacted in 1990 and 1991. The GMA establishes requirements for all counties and cites in the state, and imposes additional requirements for the faster growing counties. A city follows the lead of the county in which it is located. Counties and cities subject to all the requirements of the GMA are typically referred to as counties and cities planning under the GMA. A county may also choose to plan under the GMA.

The basic GMA planning requirements are the:

- Identification and protection of **critical areas**;
- Designation and conservation or **natural resource lands**;
- Adoption of a **county-wide planning policy**;
- Designation of **urban growth areas**;
- Adoption of a **comprehensive plan,** to include a land use element, a rural element, and other elements; and
- Adoption of **development regulations** implementing the comprehensive plan.

Urban growth areas are areas where urban growth is encouraged and outside of which growth can occur only if it is not urban. Urban growth may not be allowed in the rural element.

In 1997, as part of ESB 6094, the Legislature clarified and provided some details for the rural element. A county is specifically allowed to consider "local circumstances" when adopting a rural element. Rural development consistent with rural character must be allowed. Generally, a county must protect the rural character by containing the development, assuring visual compatibility, and reducing the inappropriate conversion of undeveloped land into a sprawling, low-density development.

Limited areas of more intensive rural development are permitted under certain circumstances:

- **Existing commercial, industrial, residential, or mixed use areas** may be infilled, developed, or redeveloped. An existing area is one that clearly existed as of the date the county began planning under the GMA. The county must adopt measures to contain the existing area. However, the general requirements to assure visual compatibility and reduce sprawl do not apply to this type of development. An industrial area is not required to be designed to serve the existing and projected rural population.

- **Small-scale recreational or tourist uses** are allowed if residential development is not allowed and low-density sprawl does not occur.

- **Isolated nonresidential cottage industries and small-scale businesses** are allowed.

Apart from the authority to allow some rural development in the rural element, counties may also allow siting for a specific major manufacturing, industrial, or commercial business outside urban growth areas if criteria are met.

Summary of Bill: A rural county planning under the GMA may adopt an ordinance allowing additional industrial development in its rural element. In addition to development of existing industrial areas, the county may allow new industrial development. The county may also allow existing industrial areas to be further developed, without regard to the requirement to contain existing areas.

For any additional development authorized, the county must protect critical areas and protect against conflicts with the use of designated resource lands.

A "rural county" is a county with a land base that is at least 75 percent in public ownership or designated resource lands, as determined by the county, or that has a population density of 60 or fewer persons per square mile, as determined by the Office of Financial Management.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Currently, counties can't develop outside the urban growth area (UGA). Grant County, for example, can't invite a high-tech industry to locate. If opt-out is not possible, let the counties develop on a level playing field with the cities. Rural counties need economic stability with good paying jobs. There are plenty of protections against sprawl. Don't limit a county's ability to have jobs for the people.

Testimony Against: Why don't the industries locate in the UGA or near the UGA? We worked hard to achieve a careful balancing in ESB 6094 that is just playing itself out. The real problem with putting industry in the rural areas is a lack of infrastructure.

Testified: Representative Joyce Mulliken (pro); Karla Kay Fullerton, Washington Cattlemen's Association (pro); Paul Parker, Washington State Association of Counties (pro); Larry Cwarsick, Island County (pro); Pat Hamilton, Pacific County Commissioner (pro); Leroy Allison, Grant County Commissioner (pro); Steve Clagett, 1,000 Friends of Washington (con); Ron Schultz, National Audubon Society (con); and Jodi Walker, Building Industry Association of Washington (pro).