

# HOUSE BILL REPORT

## HB 2830

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### As Reported By House Committee On:

Government Reform & Land Use

**Title:** An act relating to recommendations of the land use study commission.

**Brief Description:** Implementing recommendations of the land use study commission.

**Sponsors:** Representatives Reams, Romero and Lantz; by request of Land Use Study Commission.

### Brief History:

#### Committee Activity:

Government Reform & Land Use: 1/28/98, 2/5/98 [DPS].

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### HOUSE COMMITTEE ON GOVERNMENT REFORM & LAND USE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Reams, Chairman; Cairnes, Vice Chairman; Sherstad, Vice Chairman; Romero, Ranking Minority Member; Lantz, Assistant Ranking Minority Member; Bush; Fisher; Gardner; Mielke and Thompson.

**Minority Report:** Do not pass. Signed by 1 member: Representative Mulliken.

**Staff:** Joan Elgee (786-7135).

**Background: Growth Management Act.** The Growth Management Act (GMA) was enacted in 1990 and 1991. The GMA requires all counties and cities to designate and protect critical areas and designate agricultural, forest, and mineral resource lands, and imposes additional requirements on the faster growing counties. A county may also choose to be subject to the additional requirements. A city follows the lead of the county in which it is located. Counties and cities that are subject to all the requirements of the GMA are typically referred to as counties and cities planning under the GMA.

The primary planning requirement under the GMA is the adoption of comprehensive plans. A plan must include the following elements:

- A **land use** element;
- A **housing** element. The housing element must include: 1) an inventory and analysis of existing and projected housing needs; 2) provisions for the

preservation, improvement, and development of housing; 3) an identification of sufficient land for housing; and 4) adequate provisions for existing and projected needs of all economic segments of the community;

- A **capital facilities plan** element;
- A **utilities** element;
- A **rural** element; and
- A **transportation** element. The transportation element must include a number of sub-elements. These include an inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities.

The GMA contains 13 goals to guide the development of comprehensive plans. These include the reduction of sprawl, the encouragement of development in urban areas, and the encouragement of the availability of affordable housing.

A county planning under the GMA must also adopt development regulations to assure the conservation of designated resource lands. The regulations must assure that the use of lands adjacent to resource lands not interfere with the continued use of designated lands for the production of food, agricultural products, or timber, or for the extraction of minerals. Specifically, counties and cities must require that all plats, short plats, development permits, and building permits issued for development activities on, or within 300 feet of, resource lands contain a notice that the property is within or near designated resource lands on which a variety of commercial activities may occur that are not compatible with residential development.

In 1997, the Legislature passed EHB 1472, which addressed the designation, production, and conservation of mineral resource lands. The Governor vetoed the bill and asked the Land Use Study Commission to address the concerns raised.

Counties and cities planning under the GMA must review their comprehensive plans by September 1, 2002 and then at least every five years to ensure that the plan and regulations comply with the GMA.

**Annexation.** Several methods are available for cities and towns to annex surrounding areas. The primary methods are the petition method and the election method. In code cities, petition-method annexations require agreement in writing by the owners of 60 percent of an area's assessed valuation. In non-code cities, owners of 75 percent of an area's assessed valuation must agree.

In 1997, legislation (ESB 6094) was enacted expanding the circumstances in which a city could annex "islands" - territory largely surrounded by the city - without a vote or petition from property owners. Code cities, which previously had authority to annex islands under 100 acres in size, were given authority to annex larger islands in existence before June 30, 1994. Non-code cities were authorized to annex "islands" if

the island (regardless of size) existed before June 30, 1994. No provision was made to allow a referendum on island annexations by non-code cities, such as is in law for code cities.

**Permit Time Lines.** In 1995, as part of regulatory reform, the Legislature enacted ESHB 1724 to integrate environmental review with growth management planning and streamline local permitting. One of the provisions requires cities and counties planning under the GMA to make decisions on project permits within 120 days after a project application is complete. Another provision waives liability for a city or county that fails to meet the time lines. The 120-day liability waiver provisions expire on July 1, 1998. The Legislature directed the Land Use Study Commission to study the 120-day time line and report to the Legislature.

**Summary of Substitute Bill: Growth Management Act.** The goals of the GMA are modified. Regarding urban growth, language is added that urban growth areas should have concentrated employment centers, separated by critical area buffers, and need not be uniformly urban in nature. A definition of affordable housing is added to the housing goal. Affordable housing is housing for income groups who typically have difficulty renting or purchasing market-rate housing. Total monthly costs should not exceed 30 percent of household monthly income.

Language is added to the housing element of comprehensive plans requiring the provisions for housing needs of all economic segments of the community to include affordable housing and adequate housing located within reasonable commuting distances to employment centers.

The inventory of transportation facilities and services required in the transportation element of comprehensive plans is expanded to include railways and state owned facilities.

The requirement that plats and permits issued for development activities on or near designated resource lands contain a notice that resource land is nearby is expanded from 300 to 500 feet. The notice for mineral land must also inform that an application might be made for mining-relating activities.

As part of the required five year review of comprehensive plans, a county and city must review its mineral resource lands designations and regulations. In its review, the county and city must consider new information, including data from the Department of Natural Resources relating to mineral resource deposits and new or modified model development regulations for mineral resource lands prepared by the Department of Natural Resources, the Department of Community, Trade, and Economic Development, or the Washington State Association of Counties.

**Annexation.** The date limitation for annexation of "islands" of under 100 acres by non-code cities is removed. Both code and non-code cities may annex islands of under 100 acres without regard to the date the island was created. Island annexations by non-code cities are made subject to referendum, consistent with the referendum requirements for code cities.

The requirement that the owners of 75 percent of the assessed valuation of property agree to annexation in code cities is changed to 60 percent for counties subject to the GMA planning requirements prior to June 30, 1993.

**Permit Time Lines.** The 120-day permit time line requirement and the waiver from liability for a local government that fails to meet the time requirement are extended to June 30, 2000.

**Substitute Bill Compared to Original Bill:** The substitute adds language to the GMA goals and comprehensive plan elements related to urban growth, housing, and transportation.

The requirement that the notice placed on plats and permits for activities on lands within 500 feet of designated mineral lands inform that an application might be made for mining related activities is added.

The date for determining whether non-code cities are subject to the 60 or 75 percent requirement for annexation petitions is changed. The substitute provides that the 60 percent requirement applies to cities within counties that planned under the GMA before June 30, 1993 instead of June 30, 1994.

Cross references and erroneous words are corrected.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** In last year's bill, there were some glitches in trying to accomplish the commission's intent to equalize annexation provisions for code and non-code cities. The mineral lands provisions are based on consensus. The two year extension on the 120-day time line will provide more information.

**Testimony Against:** (To one section) The percentage requirement for annexations should be changed only if the county and city can first agree on revenue sharing.

**Testified:** Ryan Durkan, Land Use Study Commission (pro); Paul Parker, Washington State Association of Counties (pro except section reducing percentage for annexations); Mike McCormick, American Planning Association (pro); Scott Hazlegrove, Association of Washington Business (pro to sections extending 120-day time line and waiver of liability provisions); Glen Hudson, Washington Association of Realtors (pro); Paul Roberts, Association of Washington Cities and city of Everett (pro); Ron Schultz, National Audubon Society (pro); and Jodi Walker, Building Industry Association of Washington (pro).