

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 1576

55th Legislature
1997 Regular Session

Passed by the House March 17, 1997
Yeas 62 Nays 36

**Speaker of the
House of Representatives**

Passed by the Senate April 15, 1997
Yeas 29 Nays 20

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1576** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 1576

Passed Legislature - 1997 Regular Session

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Government Reform & Land Use (originally sponsored by Representatives Sherstad, Cairnes, Mulliken, Reams, Koster, Mielke, Dunn, McMorris, Pennington, Sheahan and Thompson)

Read first time 02/26/97.

1 AN ACT Relating to buildable lands; amending RCW 36.70A.110 and
2 43.62.035; adding a new chapter to Title 36 RCW; and creating new
3 sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) The legislature finds and declares land
6 use planning needs to ensure that an adequate supply of land
7 appropriate for development is actually available for development.
8 Land use planning that restricts the supply of developable land tends
9 to cause land prices to rise, making affordable housing impossible and
10 economic growth difficult.

11 (2) Comprehensive plans and development regulations may identify
12 undeveloped land for particular uses. However, those uses may never be
13 realized and the assumption that land will actually be used for such
14 purposes may be misplaced.

15 (3) The legislature finds and declares local governments planning
16 under chapter 36.70A RCW need to analyze whether sufficient available
17 land for development exists in order to provide for both residential
18 and nonresidential needs of the population in those jurisdictions.
19 Merely regulating land so as to allow for the development is

1 insufficient. Specifically, local jurisdictions planning under chapter
2 36.70A RCW must inventory lands available for development and adjust
3 plans or development regulations if insufficient land is available to
4 meet the population projections for the following twenty years.

5 **Sec. 2.** RCW 36.70A.110 and 1995 c 400 s 2 are each amended to read
6 as follows:

7 (1) Each county that is required or chooses to plan under RCW
8 36.70A.040 shall designate an urban growth area or areas within which
9 urban growth shall be encouraged and outside of which growth can occur
10 only if it is not urban in nature. Each city that is located in such
11 a county shall be included within an urban growth area. An urban
12 growth area may include more than a single city. An urban growth area
13 may include territory that is located outside of a city only if such
14 territory already is characterized by urban growth whether or not the
15 urban growth area includes a city, or is adjacent to territory already
16 characterized by urban growth, or is a designated new fully contained
17 community as defined by RCW 36.70A.350.

18 (2) Based upon the growth management population projection made for
19 the county by the office of financial management, the (~~urban growth~~
20 ~~areas in the~~) county and the city within the county shall include
21 areas and densities within urban growth areas sufficient to permit the
22 urban growth that is projected to occur in the county or city for the
23 succeeding twenty-year period. Each urban growth area shall permit
24 urban densities and shall include greenbelt and open space areas. An
25 urban growth area determination may include a reasonable land market
26 supply factor and shall permit a range of urban densities and uses. In
27 determining this market factor, cities and counties may consider local
28 circumstances. Cities and counties have discretion in their
29 comprehensive plans to make many choices about accommodating growth.

30 Within one year of July 1, 1990, each county that as of June 1,
31 1991, was required or chose to plan under RCW 36.70A.040, shall begin
32 consulting with each city located within its boundaries and each city
33 shall propose the location of an urban growth area. Within sixty days
34 of the date the county legislative authority of a county adopts its
35 resolution of intention or of certification by the office of financial
36 management, all other counties that are required or choose to plan
37 under RCW 36.70A.040 shall begin this consultation with each city
38 located within its boundaries. The county shall attempt to reach

1 agreement with each city on the location of an urban growth area within
2 which the city is located. If such an agreement is not reached with
3 each city located within the urban growth area, the county shall
4 justify in writing why it so designated the area an urban growth area.
5 A city may object formally with the department over the designation of
6 the urban growth area within which it is located. Where appropriate,
7 the department shall attempt to resolve the conflicts, including the
8 use of mediation services.

9 (3) Urban growth should be located first in areas already
10 characterized by urban growth that have adequate existing public
11 facility and service capacities to serve such development, second in
12 areas already characterized by urban growth that will be served
13 adequately by a combination of both existing public facilities and
14 services and any additional needed public facilities and services that
15 are provided by either public or private sources, and third in the
16 remaining portions of the urban growth areas. Urban growth may also be
17 located in designated new fully contained communities as defined by RCW
18 36.70A.350.

19 (4) In general, cities are the units of local government most
20 appropriate to provide urban governmental services. In general, it is
21 not appropriate that urban governmental services be extended to or
22 expanded in rural areas except in those limited circumstances shown to
23 be necessary to protect basic public health and safety and the
24 environment and when such services are financially supportable at rural
25 densities and do not permit urban development.

26 (5) On or before October 1, 1993, each county that was initially
27 required to plan under RCW 36.70A.040(1) shall adopt development
28 regulations designating interim urban growth areas under this chapter.
29 Within three years and three months of the date the county legislative
30 authority of a county adopts its resolution of intention or of
31 certification by the office of financial management, all other counties
32 that are required or choose to plan under RCW 36.70A.040 shall adopt
33 development regulations designating interim urban growth areas under
34 this chapter. Adoption of the interim urban growth areas may only
35 occur after public notice; public hearing; and compliance with the
36 state environmental policy act, chapter 43.21C RCW, and RCW 36.70A.110.
37 Such action may be appealed to the appropriate growth management
38 hearings board under RCW 36.70A.280. Final urban growth areas shall be
39 adopted at the time of comprehensive plan adoption under this chapter.

1 (6) Each county shall include designations of urban growth areas in
2 its comprehensive plan.

3 NEW SECTION. **Sec. 3.** This chapter applies to counties planning
4 under RCW 36.70A.040, and the cities within those counties, that had a
5 population greater than one hundred fifty thousand in 1995 as
6 determined by the office of financial management population projection
7 and that are located west of the crest of the Cascade mountain range.

8 NEW SECTION. **Sec. 4.** Unless the context clearly requires
9 otherwise, the definitions in this section apply throughout this
10 chapter.

11 (1) "Lands available for development" are lands that are suitable
12 for development and likely to be on the market within the time period
13 provided in RCW 36.70A.110. "Lands available for development" include
14 both vacant land and developed land likely to be redeveloped. Land
15 that is developed with a building currently occupied and determined
16 habitable by the local jurisdiction with an assessed value greater than
17 the assessed value of the land on which the building is located may not
18 be considered developed land likely to be redeveloped.

19 (2) "City" means any city or town, including a code city.

20 (3) "Suitable for development" means the lands:

21 (a) Are not within any critical area or governed by any development
22 regulation designed to protect critical areas adopted under RCW
23 36.70A.060, regardless of whether any development may occur on the
24 lands;

25 (b) Are serviced by all public facilities necessary for development
26 or needed public facilities are provided for in the capital facilities
27 element of the county or city's comprehensive plan adopted under RCW
28 36.70A.070 within the following five years; and

29 (c) May be developed without causing the level of service on a
30 transportation facility to decline below the standards adopted in the
31 transportation element of the comprehensive plan.

32 NEW SECTION. **Sec. 5.** (1) A comprehensive plan must provide
33 sufficient lands available for development within the urban growth
34 areas established under RCW 36.70A.110 to accommodate estimated
35 residential and nonresidential needs for the following twenty years.

1 (2) Beginning with the next periodic review under RCW 36.70A.130 or
2 any other review of an urban growth area or comprehensive plan, but at
3 least by July 1, 1999, a county shall:

4 (a) Inventory the supply of lands available for development within
5 the urban growth area;

6 (b) Determine the density and type of development likely to occur
7 on lands inventoried under (a) of this subsection, by considering all
8 regulations applicable to the lands and the market for land available
9 for development;

10 (c) Determine the actual residential density and the actual
11 intensity and amount of land developed for nonresidential uses which
12 have occurred within the urban growth area since the last periodic
13 review or five years, whichever is greater;

14 (d) Conduct an analysis of housing need by type and density range
15 to determine the amount of land needed for each needed housing type for
16 the next twenty years;

17 (e) Conduct an analysis of nonresidential development needed to
18 serve the commercial, office, retail, industrial, and public service
19 and facility needs of the population for the next twenty years; and

20 (f) Compare the inventory in (a), (b), and (c) of this subsection
21 with the needs determined in (d) and (e) of this subsection.

22 (3) If the determination required by subsection (2) of this section
23 indicates the urban growth area does not contain sufficient lands
24 available for development to accommodate projected needs for twenty
25 years at the actual developed density that has occurred since the last
26 periodic review, the county shall take one or more of the following
27 actions:

28 (a) Amend its urban growth area to include sufficient land
29 available for development to accommodate projected needs for twenty
30 years at the actual developed density during the period since the last
31 periodic review or within the last five years, whichever is greater.
32 As a part of this process, the amendment shall include sufficient land
33 reasonably necessary to accommodate the siting of new public school
34 facilities;

35 (b) Amend its comprehensive plan or development regulations to
36 include new, incentive-based measures that demonstrably increase the
37 likelihood that development will occur at densities sufficient to
38 accommodate the projected needs for twenty years without expansion of
39 the urban growth area; or

1 (c) Any combination of actions in (a) or (b) of this subsection.

2 (4) A county that adopts incentive-based measures under subsection
3 (3)(b) of this section must monitor and record the level of development
4 activity and development density following the date of the adoption of
5 the new measures. If the monitoring shows that development has not
6 occurred at densities sufficient to accommodate the project needs, the
7 county must, at its next review under subsection (2) of this section,
8 amend its urban growth area as provided in subsection (3)(a) of this
9 section.

10 (5) If the determination required by subsection (2) of this section
11 indicates the urban growth area within a city does not contain
12 sufficient lands available for development to accommodate residential
13 and nonresidential needs for twenty years at the actual developed
14 density that has occurred since the last periodic review, the city
15 shall amend its comprehensive plan or development regulations to
16 include new, incentive-based measures that demonstrably increase the
17 likelihood that development will occur at densities sufficient to
18 accommodate projected needs for twenty years without expansion of the
19 urban growth area. A city that takes this action must monitor and
20 record the level of development activity and development density
21 following the date of the adoption of the new measures.

22 (6) Amendments must comply with the requirements of chapter 36.70A
23 RCW.

24 (7) In establishing that actions and measures adopted under
25 subsections (3) and (5) of this section demonstrably increase the
26 likelihood of higher density development, the county or city shall at
27 a minimum ensure that land zoned for development is in locations
28 appropriate for the types of development identified under subsection
29 (2) of this section and is zoned at density ranges that are likely to
30 be achieved by the market using the analysis in subsection (2) of this
31 section. Actions or incentive-based measures, or both, must be adopted
32 as part of development regulations, must be available to all applicable
33 properties within the zone, must not be negotiated on a case-by-case
34 basis, and may include, but are not limited to:

35 (a) Financial incentives for higher density development, including,
36 but not limited to removal of fees associated with development;

37 (b) Removal or easing of approval standards or procedures;

38 (c) Redevelopment and infill strategies; and

1 (d) Authorization of housing types not previously allowed by the
2 comprehensive plan or development regulations.

3 NEW SECTION. **Sec. 6.** (1) A county shall annually update the
4 inventory and determinations required by section 5(2) of this act.

5 (2) At least every five years after the first inventory,
6 determinations, and steps required under section 5 of this act:

7 (a) A county shall take any steps required by section 5 (3) and (4)
8 of this act; and

9 (b) A city shall take any steps required by section 5(5) of this
10 act.

11 **Sec. 7.** RCW 43.62.035 and 1995 c 162 s 1 are each amended to read
12 as follows:

13 The office of financial management shall determine the population
14 of each county of the state annually as of April 1st of each year and
15 on or before July 1st of each year shall file a certificate with the
16 secretary of state showing its determination of the population for each
17 county. The office of financial management also shall determine the
18 percentage increase in population for each county over the preceding
19 ten-year period, as of April 1st, and shall file a certificate with the
20 secretary of state by July 1st showing its determination. At least
21 once every (~~ten~~) five years beginning in 2001 the office of financial
22 management shall prepare twenty-year growth management planning
23 population projections required by RCW 36.70A.110 for each county that
24 adopts a comprehensive plan under RCW 36.70A.040 and shall review these
25 projections with such counties and the cities in those counties before
26 final adoption. The county and its cities may provide to the office
27 such information as they deem relevant to the office's projection, and
28 the office shall consider and comment on such information before
29 adoption. Each projection shall be expressed as a reasonable range
30 developed within the standard state high and low projection. The
31 middle range shall represent the office's estimate of the most likely
32 population projection for the county. If any city or county believes
33 that a projection will not accurately reflect actual population growth
34 in a county, it may petition the office to revise the projection
35 accordingly. The office shall complete the first set of ranges for
36 every county by December 31, 1995.

1 A comprehensive plan adopted or amended before December 31, 1995,
2 shall not be considered to be in noncompliance with the twenty-year
3 growth management planning population projection if the projection used
4 in the comprehensive plan is in compliance with the range later adopted
5 under this section.

6 NEW SECTION. **Sec. 8.** Sections 1, 3, 4, and 6 of this act
7 constitute a new chapter in Title 36 RCW to be codified to follow
8 chapter 36.70C RCW.

9 NEW SECTION. **Sec. 9.** If specific funding for the purposes of this
10 act, referencing this act by bill or chapter number, is not provided by
11 June 30, 1997, in the omnibus appropriations act, this act is null and
12 void.

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