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**SUBSTITUTE SENATE BILL 6562**

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**State of Washington**

**56th Legislature**

**2000 Regular Session**

**By** Senate Committee on State & Local Government (originally sponsored by Senators Patterson, Kline, McCaslin, Rasmussen, Oke, Kohl-Welles, Fraser, Jacobsen, Shin, Prentice, Goings, Swecker, Winsley and Roach)

Read first time 02/04/2000.

1 AN ACT Relating to growth management housing goals; amending RCW  
2 36.70A.210, 36.70A.215, and 84.14.010; adding a new section to chapter  
3 82.14 RCW; creating a new section; and providing an effective date.

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

5 **Sec. 1.** RCW 36.70A.210 and 1998 c 171 s 4 are each amended to read  
6 as follows:

7 (1) The legislature recognizes that counties are regional  
8 governments within their boundaries, and cities are primary providers  
9 of urban governmental services within urban growth areas. For the  
10 purposes of this section, a "county-wide planning policy" is a written  
11 policy statement or statements used solely for establishing a county-  
12 wide framework from which county and city comprehensive plans are  
13 developed and adopted pursuant to this chapter. This framework shall  
14 ensure that city and county comprehensive plans are consistent as  
15 required in RCW 36.70A.100. Nothing in this section shall be construed  
16 to alter the land-use powers of cities.

17 (2) The legislative authority of a county that plans under RCW  
18 36.70A.040 shall adopt a county-wide planning policy in cooperation

1 with the cities located in whole or in part within the county as  
2 follows:

3 (a) No later than sixty calendar days from July 16, 1991, the  
4 legislative authority of each county that as of June 1, 1991, was  
5 required or chose to plan under RCW 36.70A.040 shall convene a meeting  
6 with representatives of each city located within the county for the  
7 purpose of establishing a collaborative process that will provide a  
8 framework for the adoption of a county-wide planning policy. In other  
9 counties that are required or choose to plan under RCW 36.70A.040, this  
10 meeting shall be convened no later than sixty days after the date the  
11 county adopts its resolution of intention or was certified by the  
12 office of financial management.

13 (b) The process and framework for adoption of a county-wide  
14 planning policy specified in (a) of this subsection shall determine the  
15 manner in which the county and the cities agree to all procedures and  
16 provisions including but not limited to desired planning policies,  
17 deadlines, ratification of final agreements and demonstration thereof,  
18 and financing, if any, of all activities associated therewith.

19 (c) If a county fails for any reason to convene a meeting with  
20 representatives of cities as required in (a) of this subsection, the  
21 governor may immediately impose any appropriate sanction or sanctions  
22 on the county from those specified under RCW 36.70A.340.

23 (d) If there is no agreement by October 1, 1991, in a county that  
24 was required or chose to plan under RCW 36.70A.040 as of June 1, 1991,  
25 or if there is no agreement within one hundred twenty days of the date  
26 the county adopted its resolution of intention or was certified by the  
27 office of financial management in any other county that is required or  
28 chooses to plan under RCW 36.70A.040, the governor shall first inquire  
29 of the jurisdictions as to the reason or reasons for failure to reach  
30 an agreement. If the governor deems it appropriate, the governor may  
31 immediately request the assistance of the department of community,  
32 trade, and economic development to mediate any disputes that preclude  
33 agreement. If mediation is unsuccessful in resolving all disputes that  
34 will lead to agreement, the governor may impose appropriate sanctions  
35 from those specified under RCW 36.70A.340 on the county, city, or  
36 cities for failure to reach an agreement as provided in this section.  
37 The governor shall specify the reason or reasons for the imposition of  
38 any sanction.

1 (e) No later than July 1, 1992, the legislative authority of each  
2 county that was required or chose to plan under RCW 36.70A.040 as of  
3 June 1, 1991, or no later than fourteen months after the date the  
4 county adopted its resolution of intention or was certified by the  
5 office of financial management the county legislative authority of any  
6 other county that is required or chooses to plan under RCW 36.70A.040,  
7 shall adopt a county-wide planning policy according to the process  
8 provided under this section and that is consistent with the agreement  
9 pursuant to (b) of this subsection, and after holding a public hearing  
10 or hearings on the proposed county-wide planning policy.

11 (3) A county-wide planning policy shall at a minimum, address the  
12 following:

13 (a) Policies to implement RCW 36.70A.110;

14 (b) Policies for promotion of contiguous and orderly development  
15 and provision of urban services to such development;

16 (c) Policies for siting public capital facilities of a county-wide  
17 or state-wide nature, including transportation facilities of state-wide  
18 significance as defined in RCW 47.06.140;

19 (d) Policies for county-wide transportation facilities and  
20 strategies;

21 (e) Policies that consider the need for affordable housing, such as  
22 housing for all economic segments of the population and parameters for  
23 its distribution;

24 (f) Policies for joint county and city planning within urban growth  
25 areas;

26 (g) Policies for county-wide economic development and employment;  
27 ((and))

28 (h) An analysis of the fiscal impact;

29 (i) Policies for the allocation of projected population and  
30 employment growth, and the number of residential units necessary to  
31 accommodate growth in the urban and rural areas by jurisdiction;

32 (j) Policies establishing appropriate densities for urban and rural  
33 areas; and

34 (k) Performance measures to annually review progress towards  
35 accommodating the twenty-year population and employment growth  
36 projections established in the county-wide planning policies.

37 (4) Federal agencies and Indian tribes may participate in and  
38 cooperate with the county-wide planning policy adoption process.

1 Adopted county-wide planning policies shall be adhered to by state  
2 agencies.

3 (5) Failure to adopt a county-wide planning policy that meets the  
4 requirements of this section may result in the imposition of a sanction  
5 or sanctions on a county or city within the county, as specified in RCW  
6 36.70A.340. In imposing a sanction or sanctions, the governor shall  
7 specify the reasons for failure to adopt a county-wide planning policy  
8 in order that any imposed sanction or sanctions are fairly and  
9 equitably related to the failure to adopt a county-wide planning  
10 policy.

11 (6) Cities and the governor may appeal an adopted county-wide  
12 planning policy to the growth management hearings board within sixty  
13 days of the adoption of the county-wide planning policy.

14 (7) Multicounty planning policies shall be adopted by two or more  
15 counties, each with a population of four hundred fifty thousand or  
16 more, with contiguous urban areas and may be adopted by other counties,  
17 according to the process established under this section or other  
18 processes agreed to among the counties and cities within the affected  
19 counties throughout the multicounty region.

20 **Sec. 2.** RCW 36.70A.215 and 1997 c 429 s 25 are each amended to  
21 read as follows:

22 (1) Subject to the limitations in subsection (~~((7))~~) (8) of this  
23 section, a county shall adopt, in consultation with its cities, county-  
24 wide planning policies to establish a review and evaluation program.  
25 This program shall be in addition to the requirements of RCW  
26 36.70A.110, 36.70A.130, and 36.70A.210. In developing and implementing  
27 the review and evaluation program required by this section, the county  
28 and its cities shall consider information from other appropriate  
29 jurisdictions and sources. The purpose of the review and evaluation  
30 program shall be to:

31 (a) Determine whether a county and its cities are achieving urban  
32 densities within urban growth areas by comparing growth and development  
33 assumptions, targets, performance measures, and objectives contained in  
34 the county-wide planning policies and the county and city comprehensive  
35 plans with actual growth and development that has occurred in the  
36 county and its cities; and

37 (b) Identify and adopt reasonable measures, other than adjusting  
38 urban growth areas, that will be taken to comply with the requirements

1 of this chapter, which are sufficient to accommodate residential and  
2 nonresidential growth.

3 (2) The review and evaluation program shall:

4 (a) Encompass land uses and activities both within and outside of  
5 urban growth areas and provide for annual collection and reporting of  
6 data to the county on urban and rural land uses, development, critical  
7 areas, and capital facilities to the extent necessary to determine the  
8 quantity and type of land suitable for development, both for  
9 residential and employment-based activities;

10 (b) Provide for evaluation of the data collected under (a) of this  
11 subsection every five years as provided in subsection (3) of this  
12 section. The first evaluation shall be completed not later than  
13 September 1, 2002. The county and its cities may establish in the  
14 county-wide planning policies indicators, benchmarks, and other similar  
15 criteria to use in conducting the evaluation;

16 (c) Provide for methods to resolve disputes among jurisdictions  
17 relating to the county-wide planning policies required by this section  
18 and procedures to resolve inconsistencies in collection and analysis of  
19 data; and

20 (d) Provide for the amendment of the county-wide policies and  
21 county and city comprehensive plans and development regulations as  
22 needed to remedy an inconsistency identified through the evaluation  
23 required by this section, or to bring these policies into compliance  
24 with the requirements of this chapter.

25 (3) At a minimum, the evaluation component of the program required  
26 by subsection (1) of this section shall:

27 (a) Require a joint report from each county and its cities  
28 regarding regional growth patterns, trends, comparing employment,  
29 housing growth, and market conditions; and compiling data on new  
30 development. The report shall:

31 (i) Evaluate whether or not the zoning and development regulations  
32 allow development at the densities sufficient to accommodate the  
33 adopted population and employment projections;

34 (ii) Highlight the reasons for the difference between the planned  
35 outcomes and actual performance, such as market and other factors  
36 affecting the achievement of planned outcomes; and

37 (iii) Indicate reasonable and appropriate actions adopted to  
38 encourage growth to occur sufficient to accommodate residential and  
39 nonresidential needs;

1        (b) Determine whether there is sufficient land suitable ((land))  
2 for development to accommodate the county-wide population projection  
3 established for the county pursuant to RCW 43.62.035 and the subsequent  
4 population allocations within the county and between the county and its  
5 cities and the requirements of RCW 36.70A.110;

6        ~~((b))~~ (c) Determine the net number and types of new residential  
7 dwelling units; the actual density of housing that has been constructed  
8 ((and)); the square footage of new nonresidential development  
9 permitted; the actual amount of land developed for commercial and  
10 industrial uses; the estimated net number of new jobs created county-  
11 wide; and the amount of known environmentally sensitive land and lands  
12 that cannot be built upon within the urban growth area since the  
13 adoption of a comprehensive plan under this chapter or since the last  
14 periodic evaluation as required by subsection (1) of this section; and

15        ~~((e))~~ (d) Based on the actual density of development as  
16 determined under ~~((b))~~ (c) of this subsection, review commercial,  
17 industrial, and housing needs by type and density range to determine  
18 the amount of land needed for commercial, industrial, and housing for  
19 the remaining portion of the twenty-year planning period used in the  
20 most recently adopted comprehensive plan.

21        (4) If the evaluation required by subsection (3) of this section  
22 demonstrates an inconsistency between what has occurred since the  
23 adoption of the county-wide planning policies and the county and city  
24 comprehensive plans and development regulations and what was envisioned  
25 in those policies and plans and the planning goals and the requirements  
26 of this chapter, as the inconsistency relates to the evaluation factors  
27 specified in subsection (3) of this section ~~((, the county and its~~  
28 ~~cities))~~; or demonstrates that the county or any city is not achieving  
29 the land use designations and densities planned for the jurisdiction in  
30 its comprehensive plan based on the evaluation factors specified in  
31 subsection (3) of this section, the county or city shall identify and  
32 adopt reasonable measures in order to accommodate the demand for  
33 residential units and nonresidential growth during the subsequent five-  
34 year period.

35        (a) If actions to achieve consistency are necessary, the county or  
36 city shall revise its comprehensive land use plan and development or  
37 other regulations, or take other actions necessary to increase  
38 consistency, and ensure sufficient land suitable for development with  
39 applicable development regulations to accommodate projected residential

1 units necessary for population growth, and achieve densities projected  
2 for the jurisdiction in the county-wide planning policy and its  
3 comprehensive plan. The county or city shall adopt and implement  
4 appropriate measures within one year of conducting the evaluation of  
5 this section that are reasonably likely to increase consistency during  
6 the subsequent five-year period. If necessary, a county, in  
7 consultation with its cities as required by RCW 36.70A.210, shall adopt  
8 amendments to county-wide planning policies to increase consistency.  
9 The county and its cities shall annually monitor the measures adopted  
10 under this subsection to determine their effect and may revise or  
11 rescind them as appropriate.

12 (b) A county or city adopting actions shall, at a minimum,  
13 demonstrate that it has considered whether the urban land designated  
14 for residential and nonresidential uses is zoned at density ranges with  
15 applicable development regulations that are reasonably likely to be  
16 achieved by the market.

17 (c) Actions to increase consistency in planned and achieved growth  
18 may include, but are not limited to, the following:

19 (i) Incentives to encourage new development consistent with the  
20 local plan;

21 (ii) Funding of infrastructure and amenities to attract  
22 development;

23 (iii) Changes in land use regulations and zoning designations for  
24 land within the boundaries of the jurisdiction in a manner that  
25 encourages development to occur at densities sufficient to accommodate  
26 projected residential and nonresidential growth;

27 (iv) Outreach programs to encourage developers to build the type of  
28 development sought in the jurisdiction's plan or development  
29 regulations; and

30 (v) Improved procedures to reduce the time it takes the  
31 jurisdiction to issue permits.

32 (5) County-wide planning policies may include additional incentive  
33 provisions and enforcement measures to accommodate growth and achieve  
34 goals.

35 ((+5)) (6)(a) Not later than July 1, 1998, the department shall  
36 prepare a list of methods used by counties and cities in carrying out  
37 the types of activities required by this section. The department shall  
38 provide this information and appropriate technical assistance to

1 counties and cities required to or choosing to comply with the  
2 provisions of this section.

3 (b) By December 31, (~~(2007)~~) 2003 and 2008, the department shall  
4 submit to the appropriate committees of the legislature a report  
5 analyzing the effectiveness of the activities described and measures  
6 taken by the counties and cities in this section in achieving the goals  
7 envisioned by the county-wide planning policies and the comprehensive  
8 plans and development regulations of the counties and cities.

9 (~~(6)~~) (7) From funds appropriated by the legislature for this  
10 purpose, the department shall provide grants to counties, cities, and  
11 regional planning organizations required under subsection (~~(7)~~) (8)  
12 of this section to conduct the review and perform the evaluation  
13 required by this section.

14 (~~(7)~~) (8) The provisions of this section shall apply to counties,  
15 and the cities within those counties, that were greater than one  
16 hundred fifty thousand in population in 1995 as determined by office of  
17 financial management population estimates and that are located west of  
18 the crest of the Cascade mountain range. Any other county planning  
19 under RCW 36.70A.040 may carry out the review, evaluation, and  
20 amendment programs and procedures as provided in this section.

21 (9) Unless the context clearly requires otherwise, the definitions  
22 in this section apply throughout this section.

23 (a) "Land suitable for development" means all vacant, partially  
24 used, and underutilized parcels that are: (i) Designated for  
25 commercial, industrial, or residential use; (ii) not intended for  
26 public use; and (iii) not constrained by critical areas in a way that  
27 limits development potential and makes new construction on a parcel  
28 unfeasible.

29 (b) "Performance measures" required under RCW 36.70A.210(3) means  
30 an indicator providing consistent and reliable information over time to  
31 help gauge how a jurisdiction is achieving specified performance  
32 results. "Indicator" means a quantifiable measurement or index.

33 NEW SECTION. Sec. 3. A new section is added to chapter 82.14 RCW  
34 to read as follows:

35 (1) The legislative authority of a county, or a city within a  
36 county, planning under chapter 36.70A RCW, may impose a sales and use  
37 tax in accordance with the terms of this chapter. The tax is in  
38 addition to other taxes authorized by law and shall be collected from



1 those persons who are taxable by the state under chapters 82.08 and  
2 82.12 RCW upon the occurrence of any taxable event within the county or  
3 city. The rate of tax shall not exceed 0.01 percent of the selling  
4 price in the case of a sales tax or value of the article used in the  
5 case of a use tax.

6 (2) The tax imposed under subsection (1) of this section shall be  
7 deducted from the amount of tax otherwise required to be collected or  
8 paid over to the department of revenue under chapter 82.08 or 82.12  
9 RCW. The department of revenue shall perform the collection of such  
10 taxes on behalf of the county, and its cities, at no cost to the county  
11 or its cities.

12 (3) Moneys collected under subsection (1) of this section shall  
13 only be used for the purpose of providing basic service for growth  
14 infrastructure projects necessary to accommodate growth, affordable  
15 housing programs, and the costs of implementing programs established by  
16 chapter 36.70A RCW.

17 (4) For the purposes of this section, the following definitions  
18 apply:

19 (a) "Basic service" means that level of service necessary to meet  
20 only the minimum level of service sufficient to accommodate growth;

21 (b) "Growth infrastructure projects" means the costs of  
22 acquisition, construction, reconstruction, rehabilitation, and  
23 improvement of those bridges; roads; and domestic water, sanitary  
24 sewer, storm sewer, and solid waste/recycling projects necessary to  
25 meet the requirements under RCW 36.70A.210 and 36.70A.215; and

26 (c) "Affordable housing programs" means programs to encourage and  
27 maintain home ownership, vouchers or subsidies for low-income rental  
28 housing, or the capital costs for acquisition, construction,  
29 reconstruction, rehabilitation, and improvement of low-income housing.

30 **Sec. 4.** RCW 84.14.010 and 1997 c 429 s 40 are each amended to read  
31 as follows:

32 Unless the context clearly requires otherwise, the definitions in  
33 this section apply throughout this chapter.

34 (1) "City" means either:

35 (a) A city or town with a population of at least one hundred  
36 thousand (~~(or)~~);

1 (b) The largest city or town, if there is no city or town with a  
2 population of at least one hundred thousand, located in a county  
3 planning under the growth management act; or

4 (c) Any city or town participating in the review and evaluation  
5 program under RCW 36.70A.215.

6 (2) "Governing authority" means the local legislative authority of  
7 a city having jurisdiction over the property for which an exemption may  
8 be applied for under this chapter.

9 (3) "Growth management act" means chapter 36.70A RCW.

10 (4) "Multiple-unit housing" means a building having four or more  
11 dwelling units not designed or used as transient accommodations and not  
12 including hotels and motels. Multifamily units may result from new  
13 construction or rehabilitated or conversion of vacant, underutilized,  
14 or substandard buildings to multifamily housing.

15 (5) "Owner" means the property owner of record.

16 (6) "Permanent residential occupancy" means multiunit housing that  
17 provides either rental or owner occupancy on a nontransient basis.  
18 This includes owner-occupied or rental accommodation that is leased for  
19 a period of at least one month. This excludes hotels and motels that  
20 predominately offer rental accommodation on a daily or weekly basis.

21 (7) "Rehabilitation improvements" means modifications to existing  
22 structures, that are vacant for twelve months or longer, that are made  
23 to achieve a condition of substantial compliance with existing building  
24 codes or modification to existing occupied structures which increase  
25 the number of multifamily housing units.

26 (8) "Residential targeted area" means an area within an urban  
27 center that has been designated by the governing authority as a  
28 residential targeted area in accordance with this chapter.

29 (9) "Substantial compliance" means compliance with local building  
30 or housing code requirements that are typically required for  
31 rehabilitation as opposed to new construction.

32 (10) "Urban center" means a compact identifiable district where  
33 urban residents may obtain a variety of products and services. An  
34 urban center must contain:

35 (a) Several existing or previous, or both, business establishments  
36 that may include but are not limited to shops, offices, banks,  
37 restaurants, governmental agencies;

38 (b) Adequate public facilities including streets, sidewalks,  
39 lighting, transit, domestic water, and sanitary sewer systems; and

1 (c) A mixture of uses and activities that may include housing,  
2 recreation, and cultural activities in association with either  
3 commercial or office, or both, use.

4 NEW SECTION. **Sec. 5.** Sections 1 through 4 of this act take effect  
5 September 1, 2002.

6 NEW SECTION. **Sec. 6.** If specific funding for the purposes of this  
7 act, referencing this act by bill or chapter number, is not provided by  
8 June 30, 2000, in the omnibus operating appropriations act, this act is  
9 null and void.

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