HOUSE BILL REPORT
HB 1997

As Reported by House Committee On:
Local Government & Housing

Title: An act relating to establishing industrial land banks outside urban growth areas.

Brief Description: Revising provisions relating to industrial land banks.

Sponsors: Representatives Alexander, DeBolt, Doumit, Mulliken, Dunshee, Mielke, Kessler, Hatfield and Ogden.

Brief History:
  Committee Activity:
    Local Government & Housing: 2/22/01, 2/26/01 [DPS].

Brief Summary of Substitute Bill

· Specifies that the bill relates to establishing industrial land banks outside urban growth areas.

HOUSE COMMITTEE ON LOCAL GOVERNMENT & HOUSING

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Dunshee, Democratic Co-Chair; Mulliken, Republican Co-Chair; Mielke, Republican Vice Chair; Berkey, Crouse, DeBolt, Dunn, Edmonds, Hatfield, Jarrett and Kirby.

Staff: Caroleen Dineen (786-7156).

Background:

Under the Growth Management Act (GMA), counties meeting specified growth criteria must adopt comprehensive plans that include a land use element, a rural element, a transportation element, and several other elements. A county that does not meet the criteria may choose to plan under the GMA. Currently 29 of Washington's 39 counties plan under the GMA.

Each county planning under the GMA must designate an urban growth area (UGA) sufficient to permit the urban growth expected to occur over the next 20 years. Counties

must encourage urban growth within UGAs and may allow growth outside UGAs if it is not urban in nature. Limited intensive rural development, including development of existing industrial areas, is allowed outside UGAs in the rural element and does not constitute urban growth.

The GMA contains several exceptions to the general prohibition against urban growth outside UGAs:

· Fully contained communities meeting certain criteria are permitted;

· Master planned resorts, self-contained and fully integrated planned unit developments in a setting of significant natural amenities, may be authorized if specified conditions are met; and

· Specific major industrial developments may be sited outside UGAs if criteria are met.

On a pilot project basis, industrial land banks were permitted in certain counties (Clark, Whatcom, Lewis, Grant and Clallam qualified for the pilot project). Eligible counties were authorized to designate a bank of no more than two master planned locations suitable for manufacturing or industrial businesses that:

· require a parcel of land so large no suitable parcels are available within the UGA;
· are natural resource-based industries requiring a location near resource land upon which it is dependent; or
· require a location with characteristics such as proximity to transportation facilities or related industries such that there is no suitable location in an UGA.

The bank could not be for retail commercial development or multitenant office parks. The following criteria had to be met to establish a location for a land bank:

· Provision for new infrastructure or payment of impact fees;
· Implementation of transit-oriented site planning and traffic demand management programs;
· Buffering between the development and adjacent nonurban areas;
· Provision of environmental protection, including air and water quality;
· Establishment of development regulations to ensure urban growth will not occur in adjacent nonurban areas;
· Mitigation of adverse impacts on resource lands;
· Consistency of the development plan with critical areas regulations; and
· Preparation of an inventory determining land suitable to site the location is unavailable within the UGA.

The pilot program authority expired on December 31, 1999.

Summary of Substitute Bill:

A provision is included specifying the bill relates to establishing industrial land banks outside urban growth areas.

Substitute Bill Compared to Original Bill:

The substitute eliminates provisions: (1) establishing a new pilot project, until December 31, 2002, for the counties originally authorized to establish industrial land banks (eligible counties include Clallam, Clark, Grant, Lewis, and Whatcom) based on the same criteria as the initial pilot project; (2) allowing eligible counties also to designate a reserve area for industrial activity for beyond a 20-year planning period; (3) requiring development regulations in eligible counties to ensure compatibility of allowed uses in the reserve area with future industrial activity; (4) specifying any land bank established on or before December 31, 2002, under the pilot project authority would be available for major industrial development if the statutory criteria continue to be satisfied; and (5) making changes to "master planned" references related to industrial land bank locations.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: This bill allows Lewis County to implement the industrial land bank authority and to designate a reserve area for long-term planning. Lewis County does not have sufficient land for industrial development in the urban growth area. Lewis County is working aggressively to get some jobs with good salaries. This bill will give people a reason to want to stay in Lewis County and may entice some big companies to move to the area. The bill does not change the criteria that have to be satisfied for establishing industrial land banks.

Testimony Against: The Office of Community Development agrees with the need for industrial land banks in Lewis County and some rural counties but has concerns regarding how Lewis County has implemented industrial land banks. The criteria should be applied when the industrial land bank is established, and the criteria must be satisfied before designation.

Testified: (In support) Representative Gary Alexander, prime sponsor; Bill Lotto, Lewis County Economic Development Council; and Pat Underhill, Pacific Northwest Regional Council of Carpenters.

(Opposed) Steve Wells, Office of Community Development