

HOUSE BILL REPORT

HB 2950

As Reported by House Committee On:
Local Government

Title: An act relating to concurrency and impact fees for transportation purposes.

Brief Description: Addressing concurrency and impact fees for transportation purposes.

Sponsors: Representatives Eddy, Simpson, Warnick, Schindler, Takko and Springer.

Brief History:

Committee Activity:

Local Government: 1/31/08, 2/4/08 [DP].

Brief Summary of Bill

- Establishes a new impact fee mechanism that allows local governments to avoid development prohibitions required by concurrency provisions of the Growth Management Act (GMA).
- Modifies the GMA definition of "concurrent with the development" to include a reference to required impact fee payments.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 7 members: Representatives Simpson, Chair; Takko, Vice Chair; Warnick, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Eddy, Nelson and Schmick.

Staff: Ethan Moreno (786-7386).

Background:

Growth Management Act/Concurrency

The Growth Management Act (GMA or Act) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the Act (planning jurisdictions) and a reduced number of directives

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for all other counties and cities. Twenty-nine of Washington's 39 counties, and the cities within those counties, are planning jurisdictions.

The GMA directs planning jurisdictions to adopt internally consistent comprehensive land use plans that are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must address specified planning elements, including transportation, each of which is a subset of a comprehensive plan. Planning jurisdictions must also adopt development regulations that implement and conform with the comprehensive plan.

The transportation element of a comprehensive plan must include sub-elements that address transportation mandates for forecasting, finance, coordination, and facilities and services needs. A provision of the sub-element for facilities and services needs requires planning jurisdictions to adopt level of service (LOS) standards for all locally-owned arterials and transit routes.

Planning jurisdictions must adopt and enforce ordinances prohibiting development approval if the proposed development will cause the LOS on a locally-owned transportation facility to decline below standards adopted in the transportation element. Exemptions to this prohibition may be made if improvements or strategies to accommodate development impacts are made concurrent with the development. These strategies may include:

- increased public transportation service;
- ride sharing programs;
- demand management; and
- other transportation systems management strategies.

"Concurrent with the development" means improvements or strategies that are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years.

Transportation elements may also include, in addition to improvements or strategies to accommodate the impacts of development authorized under the GMA, multimodal transportation improvements or strategies that are made concurrent with the development.

Impact Fees

Planning jurisdictions may impose impact fees on development activity as part of the financing of public facilities needed to serve new growth and development. This financing must provide a balance between impact fees and other sources of public funds and cannot rely solely on impact fees. Impact fees:

- may only be imposed for system improvements, a term defined in statute, that are reasonably related to the new development;
- may not exceed a proportionate share of the costs of system improvements; and
- must be used for system improvements that will reasonably benefit the new development.

County and city ordinances by which impact fees are imposed must conform with specific statutory requirements. Additionally, impact fees may be collected and spent only for public facilities that are included within a capital facilities plan element of a comprehensive plan. "Public facilities," within the context of impact fee statutes, are the following capital facilities that are owned or operated by government entities:

- public streets and roads;
- publicly owned parks, open space, and recreation facilities;
- school facilities; and
- fire protection facilities in jurisdictions that are not part of a fire district.

Summary of Bill:

The list of transportation improvements or strategies that planning jurisdictions may use to avoid prohibiting development that causes a locally-owned transportation facility to decline below adopted standards is expanded to include the imposition of impact fees.

The definition of "concurrent with the development" is modified to include a new concept within the term: the payment of required transportation impact fees for a proposed development.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) The supporters and opponents of this legislation are narrowing the differences between them. The concurrency requirements of the GMA have not netted the desired results. This bill specifies that if a jurisdiction uses impact fees to address unfavorable concurrency results, the jurisdiction cannot prevent the development from moving forward. This bill is one of the top 2008 land use priorities of the Association of Washington Business. The concurrency provisions of the GMA have been used to prohibit growth and development: this is inconsistent with the Act's goals and intentions to manage, not prevent, growth. The goals of the GMA are no longer balanced. This bill adds impact fees to the list of allowable strategies that jurisdictions may use to address concurrency issues. Concurrency causes development to leapfrog urban areas in favor of other areas with lower development costs. This bill will help concentrate growth in urban areas and will shorten commuter trips in growing areas.

(Opposed) Counties are concerned about a preemption requirement within the bill and would prefer that it be permissive rather than mandatory. Transportation problems are growing in

counties, cities, and urban growth areas, yet funding for transportation and concurrency issues is shrinking. The Legislature should not take away the concurrency option that local governments currently have. Some development impacts cannot be addressed through impact fees. Concurrency has the unintended consequence of pushing out growth, but an alternative approach to resolving this issue is preferable to the bill. There is a tension between concurrency and keeping up with growth, but it appears that this bill will cause local governments to lose discretionary authority when impact fees are imposed. Cities consider concurrency requirements and impact fees as being separate, but related: this bill will negatively affect the relationship between the two mechanisms.

Persons Testifying: (In support) Representative Eddy, prime sponsor; Chris McCabe, Association of Washington Businesses; and Andrew Cook, Building Industry Association of Washington.

(Opposed) Eric Johnson, Washington State Association of Counties; Bob Johnson, Lewis County; April Putney, Futurewise; Genesee Adkins, Transportation Choices Coalition; and Ashley Probart, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: None.