Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Local Government Committee

HB 2797

Brief Description: Addressing the impacts of climate change through the growth management act.

Sponsors: Representatives Simpson, Eddy, Campbell, Ormsby, Dunshee, Linville, Nelson, Jarrett, Springer, Wallace, Fromhold, Takko, Williams, Dickerson, Flannigan, Morrell, Chase, Lantz, Sells, Hunt, Pedersen, McCoy, Conway, Sullivan, Kenney, Darneille, McIntire, Green, Hudgins, Hasegawa and Ericks.

Brief Summary of Bill

- Establishes a climate change planning goal and related requirements in the Growth Management Act.
- Requires the Department of Community, Trade, and Economic Development (DCTED) to adopt advisory methodologies and estimates to assist jurisdictions in complying with climate change requirements.
- Establishes a Global Warming Adaptation Pilot Program.
- Establishes climate change-related reporting requirements for the DCTED.
- Establishes land use and planning requirements for qualifying jurisdictions if a highcapacity transportation is approved and funded or expanded.

Hearing Date: 1/25/08

Staff: Ethan Moreno (786-7386).

Background:

Growth Management Act - Introduction

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

House Bill Analysis - 1 - HB 2797

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

numerous requirements for local governments obligated by mandate or choice to fully plan under the Act (planning jurisdictions) and a reduced number of directives for all other counties and cities. Twenty-nine of Washington's 39 counties, and the cities within those counties, are planning jurisdictions. The Department of Community, Trade, and Economic Development (DCTED) provides guidelines, technical, and financial assistance to jurisdictions that must implement the GMA.

Comprehensive Land Use Plans

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, 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.

Comprehensive plans and development regulations are subject to continuing review and evaluation by the adopting county or city. Except as otherwise provided, planning jurisdictions must review and, if needed, revise their comprehensive plans and development regulations according to a recurring seven-year statutory schedule. Jurisdictions that do not fully plan under the GMA are generally required to satisfy requirements pertaining to critical areas and natural resource lands according to this same schedule.

Planning Goals

The GMA establishes planning goals in a non-prioritized list that must be used exclusively for guiding the development and adoption of comprehensive plans and development regulations. Examples of planning goals include the following:

- <u>Urban growth</u> Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner;
- <u>Natural resource industries</u> Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses; and
- <u>Environment</u> Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

Urban Growth Areas

The GMA includes numerous requirements relating to the use or development of land in urban and rural areas. Among other planning requirements, counties that fully plan under the GMA (planning counties) must designate urban growth areas (UGAs) or areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature.

County-wide Planning Policies

The legislative authority of each county that fully plans under the GMA must adopt a county-wide planning policy (CPP) in cooperation with the cities located wholly or partially within the county. A CPP is a written policy statement or statements used solely for establishing a countywide framework from which county and city comprehensive plans are developed and adopted.

County-wide planning policies must include specified planning provisions. Examples include:

- Policies to implement requirements for UGAs designated under the GMA;
- Policies for siting public capital facilities of a countywide or statewide nature; and
- Policies that consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution.

The governor may impose sanctions upon a planning jurisdiction that fails to adopt CPPs in conformity with the GMA.

Fully Contained Communities

Counties that fully plan under the GMA may establish a process, as part of its UGAs, for reviewing proposals to authorize new fully contained communities (FCCs) outside of the initially designated UGAs. An FCC may be approved if specific criteria are met, including:

- New infrastructure is provided for and impact fees are established;
- Transit-oriented site planning and traffic demand management programs are implemented; and
- Development regulations are established to ensure that urban growth will not occur in adjacent nonurban areas.

A county that authorizes a new FCC must also comply with population allocation requirements specified in statute. Additionally, final approval of a new FCC is considered an adopted amendment to the comprehensive plan of the applicable jurisdiction.

Master Planned Resorts

Counties that fully plan under the GMA may also permit master planned resorts (MPRs) that may constitute urban growth outside of UGAs. An MPR is described in the GMA as:

"A self-contained and fully integrated planned unit development, in a setting of significant natural amenities, with primary focus on destination resort facilities consisting of short-term visitor accommodations associated with a range of developed on-site indoor or outdoor recreational facilities."

An MPR may be authorized by a county only if specified criteria, including the following, are met:

- The comprehensive plan of the county specifically identifies policies to guide the development of MPRs;
- The comprehensive plan and development regulations of the county include restrictions that preclude new urban or suburban land uses in the vicinity of the MPR; and
- The county ensures that the resort plan is consistent with the development regulations established for critical areas.

Growth Management Hearings Boards

The GMA establishes three regional Growth Management Hearings Boards (Boards). Each Board consists of three members satisfying residency requirements and qualified by experience or training in matters pertaining to land use planning. Boards have limited jurisdiction and may only hear and determine petitions alleging:

- That a state agency or planning jurisdiction is noncompliant with the GMA, specific provisions of the Shoreline Management Act, or certain mandates of the State Environmental Policy Act relating to qualifying plans, regulations, or amendments; or
- That 20-year planning population projections adopted by the Office of Financial Management should be adjusted.

Final decisions of the Boards may be appealed to the superior court. Additionally, if all parties agree, the superior court may directly review a petition filed with a Board.

Climate Change, Global Warming, and Recent Executive and Legislative Actions

The Department of Ecology (DOE), describes "climate change" as the rapid changing of climates around the world. The DOE indicates that climate change is partially attributable to burning fossil fuels and deforestation: actions that create a blanket of greenhouse gases (carbon dioxide, methane, chlorofluorocarbons, et. cetera) in the atmosphere that prevent the Earth's solar-based heat from returning to space. This trapped atmospheric energy causes global temperatures to rise.

"Global warming," according to the DOE, refers to rising global temperatures resulting from an increased quantity of greenhouse gases in the atmosphere that are attributable to human activities. The DOE indicates that rising global temperatures are causing the climate to change, and that a warmer Earth will lead to different rainfall patterns, rising sea levels, and a wide range of impacts on plants, wildlife, and humans.

On February 7, 2007, the governor signed Executive Order No. 07-02. The executive order declared Washington's commitment to addressing climate change and to setting goals for reducing greenhouse gas emissions, increasing clean energy jobs, and reducing expenditures on imported fuel. The governor directed the DOE and the DCTED to work with stakeholders to develop a climate change initiative, the Washington Climate Change Challenge, to achieve the goals of the order.

Legislation adopted in 2007 (*i.e.*, ESSB 6001, enacted as ch. 307, Laws of 2007), in part, established the following greenhouse gas emissions reductions and clean energy economy goals for the state:

- By 2020, reduce overall greenhouse gases emissions in the state to 1990 levels;
- By 2035, reduce overall greenhouse gases emissions in the state to 25 percent below 1990 levels:
- By 2050, the state will do its part to reach global climate stabilization levels by reducing overall emissions to 50 percent below 1990 levels, or 70 percent below the state's expected emissions that year; and
- By 2020, increase the number of clean energy sector jobs to 25,000 from the 8,400 in 2004.

The 2007 legislation also specified one-time and ongoing greenhouse gas emissions reporting requirements for the DOE and the DCTED.

Summary of Bill:

The GMA is amended to include numerous provisions pertaining to climate change.

Planning Goals

A climate change goal is added to the planning goals of the GMA. The goal is to reduce climate change impacts by lessening emissions of greenhouse gases in accordance with reduction goals established in ESSB 6001 (2007). The goal also calls for jurisdictional adaptation to the effects of climate change to protect people, property, the economy, and the environment.

The natural resource industries planning goal is amended to specify, in part, that jurisdictions should conserve, rather than encourage the conservation of, productive forest and agricultural lands.

Comprehensive Land Use Plans

The comprehensive land use plans of qualifying jurisdictions must include a climate element. Qualifying jurisdictions, for the purpose of these requirements, are:

- Planning counties with a population exceeding 50,000; and
- Cities that fully plan under the GMA (planning cities) with a population exceeding 30,000.

The climate element obligates qualifying jurisdictions to:

- Mitigate the impacts of climate change by minimizing emissions of greenhouse gases related to existing development, land use patterns, transportation, and the provision of public facilities and services; and
- Adapt to the effects of global warming and climate change.

Qualifying jurisdictions also must satisfy numerous planning requirements under the element, including:

- Estimating 1990 greenhouse gas emissions, inventorying emission sources, and estimating ongoing greenhouse gas emissions;
- Projecting future emissions for a reasonable range of land use and transportation alternatives;
- Adopting a comprehensive plan or periodic update that reduces greenhouse gas emissions
 consistent with the emission reduction goals established in ESSB 6001 (2007) or specified
 provisions; and
- Adopting policies and provisions to mitigate greenhouse gas emissions resulting from land use decisions.

Estimates and projections for the climate element must be submitted to the DCTED according to specified timing requirements.

New optional provisions for the economic development element of a comprehensive plan are specified. The economic development element may establish policies to further the climate change goal, including, but not limited to, policies that encourage:

- The creation of jobs related to new technologies and other means of reducing greenhouse gas emissions; and
- Employment in areas well-served by transit and near residential areas.

Urban Growth A reas

New UGA requirements are established. A county proposing to increase the amount of territory within a UGA must evaluate and adopt measures and requirements to mitigate anticipated greenhouse gas emissions associated with the increase. Mitigation completed in accordance with

this requirement must comply with the emission reduction goals established in ESSB 6001 (2007).

County-wide Planning Policies

New requirements for CPPs are established. Adopted CPPs must address policies for regionally coordinated approaches to reducing emissions of greenhouse gases. These policies:

- Must mandate the designation and development of urban centers and other planning actions
 that promote compact development and efficiently link housing units with transit options for
 employment and service needs; and
- May provide for the permanent transfer of development rights from unincorporated rural and natural resource lands to UGAs.

Adopted CPPs may allocate greenhouse gas emissions and reductions required to meet the goals established in ESSB 6001 (2007) among counties and cities on a pro rata or other basis.

The new climate change requirements for CPPs apply only to planning counties that have a population exceeding 50,000 that amend their CPPs after a specified date.

Fully Contained Communities

New approval criteria for FCCs is specified. A county choosing to approve a new FCC must ensure that:

- An evaluation of the anticipated greenhouse gas emissions associated with the FCC has been completed; and
- Measures and requirements to mitigate anticipated greenhouse gas emissions for the new FCC have been adopted to comply with emission reduction goals established in ESSB 6001 (2007).

Master Planned Resorts

New approval criteria for MPRs is specified. A county choosing to authorize an MPR must:

- Evaluate and mitigate greenhouse gas emissions associated with the proposed resort;
- Adopt measures and requirements to mitigate those emissions. Mitigation completed to satisfy this requirement must comply with the emission reduction goals established in ESSB 6001 (2007); and
- Find, as a part of the approval process, that the land is better suited, and has more long-term importance, for the MPR than for carbon sequestration and the commercial harvesting of timber or agricultural production. The requirement applies to land that otherwise would be designated as forest land or agricultural land under the GMA.

Use of Computer Programs to Assist with Compliance

Counties and cities may use computer programs for inventorying, estimating, and projecting greenhouse gas emissions, and identifying greenhouse gas emissions reductions. Any computer program used for this purpose must be certified by the DCTED. Certified computer programs must include features for:

- Estimating the number of vehicle miles traveled;
- Estimating the greenhouse gas emissions generated by motor vehicles; and
- Determining measures to reduce greenhouse gas emissions by lessening vehicle travel.

If a planning jurisdiction uses computer programs certified by the DCTED to adopt: a climate element or an amendment to or update thereof; or development regulations implementing and consistent with a climate element, a Growth Management Hearings Board (Board) or reviewing court may only review county or city methodologies, estimates of greenhouse gas reductions, and forecasts of greenhouse gas emissions for consistency with the computer program certified by the department.

<u>Department of Community, Trade, and Economic Development - Rules and Reports</u> New obligations pertaining to climate change are established for the DCTED.

The DCTED must adopt advisory methodologies and estimates to assist counties and cities in complying with the requirements specified above. The advisory methodologies and estimates must reflect regional and local differences among planning jurisdictions and, at minimum, must identify:

- One or more methodologies for inventorying, estimating, and projecting greenhouse gas emissions;
- The greenhouse gas emission reductions that various land use and building measures are estimated to produce; and
- Potential policies, regulatory programs, and other measures counties and cities can implement to adapt to the likely adverse effects of global warming and climate change.

The DCTED must adopt the advisory methodologies and estimates as rules by December 1, 2009. These rules must be updated according to a specified schedule.

If a county or city uses the advisory methodologies and estimates to adopt: a climate element or an amendment to or update thereof; or development regulations implementing and consistent with a climate element, a Board or reviewing court may only review county or city methodologies, estimates of greenhouse gas reductions, and forecasts of greenhouse gas emissions for consistency with the advisory methodologies and estimates.

Additional rules requirements are specified. The DCTED must, by December 1, 2008, ensure that revisions to guidelines adopted guide the classification of natural resource lands and critical areas better protect natural resource lands from conversions to other uses.

By December 1, 2012, and every two years thereafter, the DCTED must provide a report to the Governor and appropriate committees of the House of Representatives and the Senate on the effects of the legislation and any recommendations to improve its effectiveness.

Global Warming Adaptation Pilot Program

A global warming adaptation pilot program to be administered by the DCTED is established. The DCTED must, through a competitive process, select a county that does not fully plan under the GMA for the program. A selected county must have potential to be adversely impacted by global warming through sea-level increases, storms, flooding, and other adverse effects. The pilot program must begin by July 1, 2009, and conclude by July 1, 2011. In fulfilling its program obligations, the DCTED must:

• Provide grants and technical assistance to aid the county in its efforts to anticipate and address future problems associated with global warming; and

• Provide a report to the governor and the appropriate committees of the House of Representatives and the Senate on pilot program results and measures that could be replicated in counties and cities that do not fully plan under the GMA.

High-capacity Transportation Service - Effect of Voter Approval and Funding

If a qualifying high-capacity transportation service is approved by the voters and funded or expanded, counties and cities within the service area must amend their comprehensive plans and development regulations as they apply to areas in high-capacity transportation corridors and near passenger stations.

Amendments consistent with this requirement must provide for mixed-use development that supports the high-capacity service and must be completed after the applicable transit agency identifies the transportation corridors and stations for the high-capacity service.

Appropriation: None.

Fiscal Note: Available.

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

House Bill Analysis - 8 - HB 2797