

SENATE BILL REPORT

ESHB 1727

As Reported By Senate Committee On:
Government Operations & Elections, February 22, 2008
Ways & Means, March 03, 2008

Title: An act relating to growth management planning to ensure sufficient land and densities available to accommodate growth.

Brief Description: Planning to ensure sufficient land and densities available to accommodate growth.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Springer, Eddy, Dunn, Pettigrew, B. Sullivan, Buri, Strow, Ahern, Orcutt, Takko, Anderson, Haler, Upthegrove, Simpson, Jarrett, Rodne, Sells, O'Brien, Newhouse, Miloscia, Hinkle, Walsh, McCune, Kagi, Williams, Lovick, Linville, Quall, McDonald, Warnick, Kristiansen, Hurst, Seaquist, Kenney and P. Sullivan).

Brief History: Passed House: 3/10/07, 97-0.

Committee Activity: Government Operations & Elections: 3/26/07, 3/27/07 [DPA];
2/21/08, 2/22/08 [DPA-WM, DNP, w/oRec].

Ways & Means: 2/29/08, 3/3/08 [DPA, w/oRec].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; McDermott, Pridemore and Swecker.

Minority Report: Do not pass. Signed by Senators Benton and Kline.

Minority Report: That it be referred without recommendation.

Signed by Senator Roach, Ranking Minority Member.

Staff: Khalia Gibson (786-7460)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Brandland, Carrell, Fairley, Hewitt, Hobbs, Keiser, Kohl-Welles, Parlette, Rasmussen, Rockefeller, Schoesler and Tom.

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.

Minority Report: That it be referred without recommendation.

Signed by Senators Zarelli, Ranking Minority Member; Honeyford and Roach.

Staff: Richard Ramsey (786-7412)

Background: The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. The GMA directs planning jurisdictions to adopt internally consistent comprehensive land use plans, which are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must satisfy requirements for specified "elements," each of which is a subset of a comprehensive plan. There are currently eight elements to be addressed in comprehensive plans: a land use element; a housing element; a capital facilities plan element; a utilities element; a rural element; a transportation element; an economic development element; and a park and recreation element.

Counties planning under the GMA must adopt a county-wide planning policy in cooperation with the cities located wholly or partially within the county. The county-wide planning policy is a written policy statement used solely for establishing a county-wide framework from which county and city comprehensive plans are developed.

Jurisdictions planning under the GMA must designate urban growth areas (UGAs), within which urban growth must be encouraged. Using population projections made by the Office of Financial Management, planning jurisdictions must include within their UGAs land and densities sufficient to permit the urban growth projected to occur in the county or city for the succeeding 20-year period.

Summary of Bill (Recommended Amendments): Land Use. The land use element of a comprehensive plan must designate a sufficient quantity of land needed for residential uses based on the population growth projections made by the Office of Financial Management. The element must also designate a sufficient quantity of land needed for commercial, industrial, and other nonresidential uses.

Housing. The housing element must ensure the availability of a variety of residential densities and housing types. Planning jurisdictions must identify the number of housing units necessary to accommodate projected growth.

The housing element must also identify a sufficient quantity of zoned land suitable for providing the necessary housing units to accommodate existing housing needs and projected population growth.

The statutory list of innovative land use management techniques that should be provided for in comprehensive plans is expanded to include zoning for mixed-use development and accessory dwelling units.

Certain jurisdictions may also provide for accessory dwelling units in comprehensive plans and development regulations.

Establishment of Subregions. Urban growth area provisions are modified to specify that cities and counties may establish subregions comprised of adjacent cities and counties. As specified, these subregions would be the basis for ensuring the existence of a sufficient

amount of housing to meet the needs of projected population growth and the demands from anticipated commercial and industrial land uses within the subregion. The subregion would identify how best to accommodate projected population growth for jurisdictions comprising the subregion by using an interlocal agreement. The projected population growth would be established for participating jurisdictions using existing processes to establish the subregion target. The interlocal agreement would identify the adjusted and agreed upon projected population growth for each participating jurisdiction.

Cities or counties planning under the Growth Management Act may enact or expand affordable housing incentive programs providing for the development of low-income housing units through developmental regulations on residential, commercial, industrial, and mixed-use development.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Amendments): Requires that the impact fees from new development, that is currently unincorporated territory and is surrounded by a city, be paid to the surrounding city.

EFFECT OF CHANGES MADE BY GOVERNMENT OPERATIONS & ELECTIONS COMMITTEE (Recommended Amendments): Land is designated for residential use based on population growth projections. Comprehensive plans and development regulations may provide for accessory dwelling units. Standards are set forth to protect affordable and low-income housing in cities and counties planning under the Growth Management Act.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Engrossed Substitute (Government Operations & Elections): PRO: We have spent years trying to get at the issue of housing support, particularly in urban areas. The housing supply needs to be increased to match job growth. This bill is aimed at the areas in King and Snohomish counties. This will get cities and counties to work together to get zoning requirements to work for everyone. There has not been a lot of communication in the past with King County regarding the donut hole issue, even though they have been invited to take part in feasibility studies. Neither Point Wells nor the Maple Valley donut hole have any residents, and they are proposed to be developed. It makes sense if the county works specifically with the cities that are affected by this bill. We would like to have good faith negotiations, and come up with joint development plans. The bill only applies to new developments, therefore existing developments are not affected. Money needs to be put into affordable housing instead of commercial development and growth.

CON: There is support for the overall concepts of this bill, but there are some concerns regarding the current language in section 4, subsection 3(c). It is inappropriate for the Legislature to preempt existing county regulations, the specific adoption of development regulations is outside the Legislature's scope. As the regulations exist now, every city has the right to appeal. Creating a mandate would be a bad thing, there needs to be assurance that this will remain voluntary. Services are not automatically provided simply because the territory is

located within an urban growth area, there are some areas in which services are still not provided, and the residents do not mind.

OTHER: We would support the bill if the language encouraged counties to cooperate and consult. The proposed language provides a new tool to cities to create subregions.

Persons Testifying (Government Operations & Elections): PRO: Representative Larry Springer, prime sponsor; Anthony Hemstad, City of Maple Valley; Scott MacColl, City of Shoreline; Rose Feliciano, City of Seattle; Dave Williams, Association of Washington Cities; Ben Gitenstein, Washington Low Income Housing Alliance.

CON: Eric Johnson, Washington Association of Counties; Marc Boldt, Clark County Commissioner; Todd Mielkie, Spokane County Commissioner.

OTHER: April Putney, Futurewise; Jeanette McKague, Washington Realtors.

Staff Summary of Public Testimony on GO Recommended Amendments (Ways & Means): PRO: This bill is an attempt to address the crisis in housing affordability; it's not about low-income housing. We need to increase the supply of housing. It represents a sea change in land use planning through the creation of sub-regions and the recognition that housing follows jobs. The bill has large policy implications without significant fiscal impact. There is disagreement on Section 4; recommend reinstating the agreed-upon language from the 2007 session. Don't change the policy provisions that do not have a fiscal impact.

CON: Section 4 has a fiscal impact – estimated by Snohomish County alone to be 7 FTEs and \$1.5 million per year. This impact is created by a confusion of which cities' development regulations apply to unincorporated areas. We've provided a map of unincorporated areas surrounded by cities that would be affected by the provision of Section 4. We recommend re-instating the agreed-up language from last year.

Persons Testifying (Ways & Means): PRO: Representative Larry Springer, prime sponsor; Mike Ryherd and Anthony Hemstad, City of Maple Valley; Scott MacColl, City of Shoreline; Jeanette McKague, Washington Realtors

CON: Michael Shaw, Pierce and Snohomish Counties; Eric Johnson, WA State Association of Counties.