## HOUSE BILL 1490

State of Washington 61st Legislature 2009 Regular Session

By Representatives Nelson, Pedersen, Goodman, Simpson, Upthegrove, Appleton, Dickerson, Liias, Morris, Roberts, White, Ormsby, McCoy, and Miloscia

Read first time 01/21/09. Referred to Committee on Local Government & Housing.

- AN ACT Relating to reducing greenhouse gas emissions through land use and transportation requirements; amending RCW 36.70A.020, 36.70A.070, 36.70A.100, 36.70A.108, 36.70A.190, 36.70A.210, 36.70A.490, 36.70A.500, 47.80.030, 43.21C.240, 81.104.015, and 82.14.0455; adding a new section to chapter 36.70A RCW; adding a new section to chapter 43.21C RCW; adding a new section to chapter 81.112 RCW; and providing an effective date.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 9 **Sec. 1.** RCW 36.70A.020 and 2002 c 154 s 1 are each amended to read 10 as follows:
- The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those counties and cities that are required or choose to plan under RCW 36.70A.040. The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans and development regulations:
- 17 (1) Urban growth. Encourage development in urban areas where 18 adequate public facilities and services exist or can be provided in an 19 efficient manner.

p. 1 HB 1490

1 (2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

- (3) Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.
- (4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
- (6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- (7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- (8) Natural resource industries. 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.
- (9) Open space and recreation. Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- 35 (10) Environment. Protect the environment and enhance the state's 36 high quality of life, including air and water quality, and the 37 availability of water. <u>Establish land use and transportation patterns</u>

that, at a minimum, achieve and support state and federal greenhouse gas emissions reduction requirements.

- (11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.
- (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- 11 (13) Historic preservation. Identify and encourage the 12 preservation of lands, sites, and structures, that have historical or 13 archaeological significance.

## **Sec. 2.** RCW 36.70A.070 and 2005 c 360 s 2 are each amended to read 15 as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140.

Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby

p. 3 HB 1490

jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

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- (2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) includes incentives and requirements to provide housing required by this subsection (2); (d) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; ((and (d))) (e) makes adequate provisions for existing and projected needs of all economic segments of the community; and (f) designates sufficient land for and encourages housing within walking, bicycling, or transit distance of employment concentrations that is affordable to persons employed within such concentrations. Land designated for housing under this subsection (2)(f) must be designated at densities that support transit services.
- (3) A capital facilities plan element consisting of: inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the locations and capacities of expanded or new proposed facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. recreation facilities shall be included in the capital facilities plan element.
- 36 (4) A utilities element consisting of the general location, 37 proposed location, and capacity of all existing and proposed utilities,

including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

- (5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:
- (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural densities and uses that are not characterized by urban growth and that are consistent with rural character.
- (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
  - (i) Containing or otherwise controlling rural development;
- (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- 31 (iv) Protecting critical areas, as provided in RCW 36.70A.060, and 32 surface water and groundwater resources; and
- 33 (v) Protecting against conflicts with the use of agricultural, 34 forest, and mineral resource lands designated under RCW 36.70A.170.
  - (d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may

p. 5 HB 1490

allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.
- (A) A commercial, industrial, residential, shoreline, or mixed-use area shall be subject to the requirements of (d)(iv) of this subsection, but shall not be subject to the requirements of (c)(ii) and (iii) of this subsection.
- (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
- (C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);
- (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
- (iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government

according to RCW 36.70A.030(((14+))) (15). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(((14+))) (15). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

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- 9 (iv) A county shall adopt measures to minimize and contain the 10 existing areas or uses of more intensive rural development, 11 appropriate, authorized under this subsection. Lands included in such 12 existing areas or uses shall not extend beyond the logical outer 13 boundary of the existing area or use, thereby allowing a new pattern of 14 low-density sprawl. Existing areas are those that are clearly 15 identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also 16 include undeveloped lands if limited as provided in this subsection. 17 The county shall establish the logical outer boundary of an area of 18 19 more intensive rural development. In establishing the logical outer 20 boundary the county shall address (A) the need to preserve the 21 character of existing natural neighborhoods and communities, (B) 22 physical boundaries such as bodies of water, streets and highways, and 23 land forms and contours, (C) the prevention of abnormally irregular 24 boundaries, and (D) the ability to provide public facilities and public 25 services in a manner that does not permit low-density sprawl;
- 26 (v) For purposes of (d) of this subsection, an existing area or 27 existing use is one that was in existence:
- 28 (A) On July 1, 1990, in a county that was initially required to 29 plan under all of the provisions of this chapter;
- 30 (B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions 32 of this chapter under RCW 36.70A.040(2); or
  - (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).
    - (e) Exception. This subsection shall not be interpreted to permit

p. 7 HB 1490

- in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.
  - (6) A transportation element that implements, and is consistent with, the land use element.
  - (a) The transportation element shall include the following subelements:
    - (i) Land use assumptions used in estimating travel;

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- (ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of landuse decisions on state-owned transportation facilities;
  - (iii) Facilities and services needs, including:
- (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;
- (B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated and must consider all transportation modes in meeting regional transportation demands. In adopting level of service standards required under this subsection (6)(a)(iii)(B), jurisdictions must also consider adopting level of service standards for bicycle and pedestrian routes;
- (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting service standards for of state highways in the comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the ((department of transportation's six-year)) office of financial management's ten-year requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties

- consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection));
  - (D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;
  - (E) Forecasts of ((traffic)) travel demand for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;
  - (F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;
    - (iv) Finance, including:

- (A) An analysis of funding capability to judge needs against probable funding resources;
  - (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ((six-year improvement)) ten-year investment program developed by the ((department of transportation)) office of financial management as required by RCW 47.05.030;
  - (C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
  - (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
    - (vi) Demand-management strategies;
  - (vii) Pedestrian and bicycle components to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access ((and promote)), connections between land uses and transportation modes, and the promotion of healthy lifestyles.

p. 9 HB 1490

(b)(i) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development 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. Ordinances adopted under this subsection (6)(b)(i) must consider multimodal improvements or strategies.

(ii) For the purposes of this subsection (6), "concurrent with the development" ((shall mean)) means that improvements or strategies 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.

(iii) The concurrency requirements of this subsection (6)(b) do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highway and ferry route capacity must be a factor in meeting the concurrency requirements of this subsection (6)(b).

- (c) The transportation element described in this subsection (6), and the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.
- (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to

address future needs. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

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- (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.
- 11 (9) It is the intent that new or amended elements required after
  12 January 1, 2002, be adopted concurrent with the scheduled update
  13 provided in RCW 36.70A.130. Requirements to incorporate any such new
  14 or amended elements shall be null and void until funds sufficient to
  15 cover applicable local government costs are appropriated and
  16 distributed by the state at least two years before local government
  17 must update comprehensive plans as required in RCW 36.70A.130.
- 18 **Sec. 3.** RCW 36.70A.100 and 1990 1st ex.s. c 17 s 10 are each 19 amended to read as follows:
- The comprehensive plan of each county or city ((that is)) adopted pursuant to RCW 36.70A.040 shall be:
- 22 (1) Coordinated with, and consistent with, the comprehensive plans 23 adopted pursuant to RCW 36.70A.040 of other counties or cities with 24 which the county or city has, in part, common borders or related 25 regional issues; and
- 26 (2) Consistent with the regional transportation plans required 27 under RCW 47.80.030 for the region within which the county or city is 28 located.
- 29 **Sec. 4.** RCW 36.70A.108 and 2005 c 328 s 1 are each amended to read 30 as follows:
- 31 (1) The transportation element required by RCW 36.70A.070 may 32 include, in addition to improvements or strategies to accommodate the 33 impacts of development authorized under RCW 36.70A.070(6)(b), 34 multimodal transportation improvements or strategies that are made 35 concurrent with the development. These transportation improvements or

p. 11 HB 1490

strategies may include, but are not limited to, measures implementing or evaluating:

- (a) Multiple modes of transportation with peak and nonpeak hour capacity performance standards for locally owned transportation facilities; ((and))
- (b) Modal performance standards meeting the peak and nonpeak hour capacity performance standards; and
- 8 (c) Transit oriented development or other compact development
  9 strategies. For purposes of this subsection (1)(c) the following
  10 definitions apply:
  - (i) "Compact development" means an area designated for mixed-use, higher density development patterns that encourage walking, bicycling, and plans for a multimodal network that may include transit services and facilities; and
  - (ii) "Transit oriented development" means a type of compact development that provides compact, walkable communities with densities that support transit service and have convenient access to transit systems with frequent peak travel period service.
  - (2) Nothing in this section or RCW 36.70A.070(6)(b) shall be construed as prohibiting a county or city planning under RCW 36.70A.040 from exercising existing authority to develop multimodal improvements or strategies to satisfy the concurrency requirements of this chapter.
- 23 (3) Nothing in this section is intended to affect or otherwise 24 modify the authority of jurisdictions planning under RCW 36.70A.040.
- **Sec. 5.** RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended to 26 read as follows:
  - (1) The department shall establish a program of technical and financial assistance and incentives to counties and cities to encourage and facilitate the adoption and implementation of comprehensive plans and development regulations throughout the state.
  - (2) The department shall develop a priority list and establish funding levels for planning and technical assistance grants both for counties and cities that plan under RCW 36.70A.040. Priority for assistance shall be based on a county's or city's population growth rates, commercial and industrial development rates, the existence and quality of a comprehensive plan and development regulations, and other relevant factors.

(3) The department shall develop and administer a grant program to provide direct financial assistance to counties and cities for the preparation of comprehensive plans under this chapter. The department may establish provisions for county and city matching funds to conduct activities under this subsection. Grants may be expended for any purpose directly related to the preparation of a county or city comprehensive plan as the county or city and the department may agree, including, without limitation, the conducting of surveys, inventories and other data gathering and management activities, the retention of planning consultants, contracts with regional councils for planning and related services, and other related purposes.

- (4) The department shall establish a program of technical assistance:
- (a)(i) Utilizing department staff, the staff of other state agencies, and the technical resources of counties and cities to help in the development of comprehensive plans required under this chapter. The technical assistance may include, but not be limited to, model land use ordinances, regional education and training programs, and information for local and regional inventories. The technical assistance shall include guidance that may be used by counties and cities for developing and implementing: (A) Multimodal transportation concurrency improvements and strategies; and (B) programs that encourage, through developer incentives and other means, compact development in urban growth areas.
- (ii) Technical assistance required by (a)(i)(A) of this subsection shall be developed by the department in cooperation with the department of transportation, regional transportation planning organizations authorized under chapter 47.80 RCW, regional transit authorities and agencies, and local transportation entities.
- (iii) Technical assistance required by (a)(i)(B) of this subsection shall be developed by the department in cooperation with other state agencies with relevant expertise, and may include an examination of employed local government incentives, an assessment of applicable advantages and disadvantages, and the development of model incentive language; and
- (b) Adopting by rule procedural criteria to assist counties and cities in adopting comprehensive plans and development regulations that

p. 13 HB 1490

meet the goals and requirements of this chapter. These criteria shall reflect regional and local variations and the diversity that exists among different counties and cities that plan under this chapter.

- (5) The department shall provide mediation services to resolve disputes between counties and cities regarding, among other things, coordination of regional issues and designation of urban growth areas.
- (6) The department shall provide planning grants to enhance citizen participation under RCW 36.70A.140.

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

- (1) The legislature recognizes that counties are regional governments within their boundaries, and cities are primary providers of urban governmental services within urban growth areas. For the purposes of this section, a "county-wide planning policy" is a written policy statement or statements used solely for establishing a county-wide framework from which county and city comprehensive plans are developed and adopted pursuant to this chapter. This framework shall ensure that city and county comprehensive plans are consistent as required in RCW 36.70A.100. Nothing in this section shall be construed to alter the land-use powers of cities.
- (2) The legislative authority of a county that plans under RCW 36.70A.040 shall adopt a county-wide planning policy in cooperation with the cities located in whole or in part within the county as follows:
- (a) No later than sixty calendar days from July 16, 1991, the legislative authority of each county that as of June 1, 1991, was required or chose to plan under RCW 36.70A.040 shall convene a meeting with representatives of each city located within the county for the purpose of establishing a collaborative process that will provide a framework for the adoption of a county-wide planning policy. In other counties that are required or choose to plan under RCW 36.70A.040, this meeting shall be convened no later than sixty days after the date the county adopts its resolution of intention or was certified by the office of financial management.
- (b) The process and framework for adoption of a county-wide planning policy specified in (a) of this subsection shall determine the manner in which the county and the cities agree to all procedures and

provisions including but not limited to desired planning policies, deadlines, ratification of final agreements and demonstration thereof, and financing, if any, of all activities associated therewith.

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- (c) If a county fails for any reason to convene a meeting with representatives of cities as required in (a) of this subsection, the governor may immediately impose any appropriate sanction or sanctions on the county from those specified under RCW 36.70A.340.
- (d) If there is no agreement by October 1, 1991, in a county that was required or chose to plan under RCW 36.70A.040 as of June 1, 1991, or if there is no agreement within one hundred twenty days of the date the county adopted its resolution of intention or was certified by the office of financial management in any other county that is required or chooses to plan under RCW 36.70A.040, the governor shall first inquire of the jurisdictions as to the reason or reasons for failure to reach an agreement. If the governor deems it appropriate, the governor may immediately request the assistance of the department of community, trade, and economic development to mediate any disputes that preclude agreement. If mediation is unsuccessful in resolving all disputes that will lead to agreement, the governor may impose appropriate sanctions from those specified under RCW 36.70A.340 on the county, city, or cities for failure to reach an agreement as provided in this section. The governor shall specify the reason or reasons for the imposition of any sanction.
- (e) No later than July 1, 1992, the legislative authority of each county that was required or chose to plan under RCW 36.70A.040 as of June 1, 1991, or no later than fourteen months after the date the county adopted its resolution of intention or was certified by the office of financial management the county legislative authority of any other county that is required or chooses to plan under RCW 36.70A.040, shall adopt a county-wide planning policy according to the process provided under this section and that is consistent with the agreement pursuant to (b) of this subsection, and after holding a public hearing or hearings on the proposed county-wide planning policy.
- (3) A county-wide planning policy shall at a minimum, address the following:
  - (a) Policies to implement RCW 36.70A.110;
- 37 (b) Policies for promotion of contiguous and orderly development 38 and provision of urban services to such development;

p. 15 HB 1490

- 1 (c) Policies for siting public capital facilities of a county-wide 2 or statewide nature, including transportation facilities of statewide 3 significance as defined in RCW 47.06.140;
  - (d) Policies for county-wide transportation facilities and strategies;
  - (e) Policies that consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution;
- 9 (f) Policies for joint county and city planning within urban growth 10 areas;
- 11 (g) Policies for county-wide economic development and employment; 12 ((and))
  - (h) Policies for reducing greenhouse gas emissions that, at a minimum, support and achieve: (i) State emission reduction requirements adopted under RCW 70.235.020; (ii) per capita vehicle miles traveled reductions in accordance with RCW 47.01.440; and (iii) applicable federal emission reduction requirements;
    - (i) Policies for reducing dependence on foreign oil; and
    - (j) An analysis of the fiscal impact.

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- (4) Federal agencies and Indian tribes may participate in and cooperate with the county-wide planning policy adoption process. Adopted county-wide planning policies shall be adhered to by state agencies.
- (5) Failure to adopt a county-wide planning policy that meets the requirements of this section may result in the imposition of a sanction or sanctions on a county or city within the county, as specified in RCW 36.70A.340. In imposing a sanction or sanctions, the governor shall specify the reasons for failure to adopt a county-wide planning policy in order that any imposed sanction or sanctions are fairly and equitably related to the failure to adopt a county-wide planning policy.
- (6) Cities and the governor may appeal an adopted county-wide planning policy to the growth management hearings board within sixty days of the adoption of the county-wide planning policy.
- 35 (7) Multicounty planning policies shall be adopted by two or more 36 counties, each with a population of four hundred fifty thousand or 37 more, with contiguous urban areas and may be adopted by other counties,

according to the process established under this section or other processes agreed to among the counties and cities within the affected counties throughout the multicounty region.

Sec. 7. RCW 36.70A.490 and 1995 c 347 s 115 are each amended to read as follows:

The growth management planning and environmental review fund is hereby established in the state treasury. Moneys may be placed in the fund from the proceeds of bond sales, tax revenues, budget transfers, federal appropriations, gifts, or any other lawful source. Moneys in the fund may be spent only after appropriation. Moneys in the fund shall be used to make grants <u>and loans</u> to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, or 36.70A.500.

- **Sec. 8.** RCW 36.70A.500 and 1997 c 429 s 28 are each amended to 14 read as follows:
  - (1) The department ((of community, trade, and economic development)) shall provide management services for the fund created by RCW 36.70A.490. The department shall establish procedures for fund management. The department shall encourage participation in the ((grant)) program by other public agencies. The department shall develop ((the)) grant and loan criteria, monitor the ((grant)) program, and select ((grant)) recipients in consultation with state agencies participating in the ((grant)) program through the provision of ((grant)) funds or technical assistance.
  - (2) A grant or loan may be awarded to a county or city that is required to or has chosen to plan under RCW 36.70A.040 and that is qualified pursuant to this section. The grant or loan shall be provided to assist a county or city in paying for the cost of preparing an environmental analysis under chapter 43.21C RCW, that is integrated with a comprehensive plan, subarea plan, plan element, county-wide planning policy, development regulation, monitoring program, or other planning activity adopted under or implementing this chapter that:
  - (a) Improves the process for project permit review while maintaining environmental quality; or
- 34 (b) Encourages use of plans and information developed for purposes 35 of complying with this chapter to satisfy requirements of other state 36 programs.

p. 17 HB 1490

1 (3) In order to qualify for a grant <u>or loan</u>, a county or city 2 shall:

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- (a) Demonstrate that it will prepare an environmental analysis pursuant to chapter 43.21C RCW and subsection (2) of this section that is integrated with a comprehensive plan, subarea plan, plan element, county-wide planning policy, development regulations, monitoring program, or other planning activity adopted under or implementing this chapter;
- (b) Address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits within the geographic area analyzed in the plan;
- (c) Demonstrate that procedures for review of development permit applications will be based on the integrated plans and environmental analysis;
  - (d) Include mechanisms to monitor the consequences of growth as it occurs in the plan area and to use the resulting data to update the plan, policy, or implementing mechanisms and associated environmental analysis;
  - (e) Demonstrate substantial progress towards compliance with the requirements of this chapter. A county or city that is more than six months out of compliance with a requirement of this chapter is deemed not to be making substantial progress towards compliance; and
- 24 (f) Provide local funding, which may include financial participation by the private sector.
  - (4) In awarding grants <u>and loans</u>, the department shall give preference to proposals that include one or more of the following elements:
    - (a) Furtherance of greenhouse gas emissions reduction requirements;
- 30 <u>(b)</u> Financial participation by the private sector, or a 31 public/private partnering approach;
- ((<del>(b)</del>)) <u>(c)</u> Identification and monitoring of system capacities for elements of the built environment, and to the extent appropriate, of the natural environment;
- (((c))) (d) Coordination with state, federal, and tribal governments in project review;
- $((\frac{d}{d}))$  <u>(e)</u> Furtherance of important state objectives related to

economic development, protection of areas of statewide significance, and siting of essential public facilities;

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- $((\frac{(e)}{(e)}))$  (f) Programs to improve the efficiency and effectiveness of the permitting process by greater reliance on integrated plans and prospective environmental analysis;
- $((\frac{f}{f}))$  <u>(g)</u> Programs for effective citizen and neighborhood involvement that contribute to greater likelihood that planning decisions can be implemented with community support; and
- $((\frac{g}))$  <u>(h)</u> Programs to identify environmental impacts and establish mitigation measures that provide effective means to satisfy concurrency requirements and establish project consistency with the plans.
- (5) If the local funding includes funding provided by other state functional planning programs, including open space planning and watershed or basin planning, the functional plan shall be integrated into and be consistent with the comprehensive plan.
- 17 (6) State agencies shall work with grant <u>and loan</u> recipients to 18 facilitate state and local project review processes that will implement 19 the projects receiving ((<del>grants</del>)) <u>financial assistance</u> under this 20 section.
- NEW SECTION. Sec. 9. A new section is added to chapter 36.70A RCW to read as follows:
  - (1) Except as provided in subsections (6) and (7) of this section, comprehensive plans and development regulations adopted under this chapter must authorize transit oriented development within one-half mile of a major transit station. The allowed net density for these transit oriented development areas must be fifty dwelling units per acre. The adopted plans and regulations also must:
- 29 (a) Include standards for streets, sidewalks, and buildings that 30 encourage walking and bicycling, and a process to ensure that these 31 standards are met;
- 32 (b) Prioritize for safe walking and bicycling connections to 33 proximate major transit stations and transit centers;
- 34 (c) Provide for a net gain in housing units that are affordable to low and moderate-income households;
- 36 (d) Require one-for-one replacement of demolished or converted 37 housing units that are affordable to the income level of the displaced

p. 19 HB 1490

residents. The replacement units are in addition to other affordable units required by this section. This subsection (1)(d) applies if the following are demolished or converted: (i) Rental housing units that are affordable to households earning sixty percent or less of the adjusted county median income; and (ii) ownership housing that is affordable to households earning eighty percent of the adjusted county median income;

- (e) Require that all new housing or mixed-use developments provide housing that is affordable to the income groups in (f) of this subsection and receive density bonuses equal to the number of housing units produced under this subsection (1)(e), or provide for master planned zoning that identifies locations and incentives sufficient to provide housing that is affordable to the income groups in (f) of this subsection. The housing units required by this subsection must be constructed within one-half mile of a major transit station and must be comparable to the associated market rate development. Affordable units required by this subsection (1)(e) must be affordable for a minimum of fifty years, but counties and cities should consider employing tools to permanently maintain affordability;
- (f) Require that: (i) Twenty-five percent of rental units be affordable to people earning less than eighty percent of the adjusted county median income, with ten percent of the rental units being affordable to people earning less than sixty percent of the adjusted county median income; and (ii) Twenty-five percent of ownership units be affordable to people earning less than one hundred twenty percent of the adjusted county median income, with ten percent of the ownership units being affordable to people earning less than one hundred percent of the adjusted county median income. Affordable units required by this subsection (1)(f) must be affordable for a minimum of fifty years, but counties and cities should consider employing tools to permanently maintain affordability;
- (g) Authorize the waiving of minimum parking space requirements for any land use; and
- (h) Require developers to provide the following to renters earning less than eighty percent of the adjusted median income who will be displaced by development: (i) No fewer than ninety days notice of an order to vacate the affected premises; and (ii) relocation assistance

in an amount determined by the applicable county or city. Relocation assistance provided under this subsection (1)(h)(ii) may not exceed an amount equaling three months rent for an affected tenant.

- (2) A major transit station includes any of the following within an urban growth area:
- (a) Stations on a high capacity transportation service approved by the voters and funded or expanded under chapter 81.104 RCW. For purposes of this subsection (2), streetcars are not considered a high capacity transportation service;
  - (b) Commuter rail stations;

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- 11 (c) Stops on rail or fixed guideway systems, including transitways, 12 but excluding stops in a streetcar system; and
- 13 (d) Stations on bus rapid transit routes that operate on designated 14 rights-of-way for sixty-five percent or more of a route.
- 15 (3) For purposes of this section, "transit oriented development" 16 has the same meaning as defined in RCW 36.70A.108.
  - (4) Density determinations made in accordance with this section must be calculated by dividing the number of allowed dwelling units by the net acreage of the applicable area.
    - (5) Counties and cities must report the number of affordable housing units created in accordance with subsection (1) of this section to the department and the appropriate committees of the legislature by January 1, 2015. Subsequent reports to the department and the legislature must be completed according to the schedule established in RCW 36.70A.130(4).
- 26 (6) Nothing in this section modifies or otherwise affects planning 27 or regulatory requirements for airports.
- (7) This section does not apply to lands: (a) Designated for industrial or manufacturing uses in comprehensive plans or zoning regulations; or (b) upon which stadiums that seat twenty-five thousand or more persons are located.
- 32 **Sec. 10.** RCW 47.80.030 and 2005 c 328 s 2 are each amended to read 33 as follows:
- 34 (1) Each regional transportation planning organization shall 35 develop in cooperation with the department of transportation, providers 36 of public transportation and high capacity transportation, ports, and

p. 21 HB 1490

- local governments within the region, adopt, and periodically update a regional transportation plan that:
  - (a) Is based on a least cost planning methodology that identifies the most cost-effective facilities, services, and programs;
  - (b) Identifies existing or planned transportation facilities, services, and programs, including but not limited to major roadways including state highways and regional arterials, transit and nonmotorized services and facilities, multimodal and intermodal facilities, marine ports and airports, railroads, and noncapital programs including transportation demand management that should function as an integrated regional transportation system, giving emphasis to those facilities, services, and programs that exhibit one or more of the following characteristics:
    - (i) Crosses member county lines;

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- (ii) Is or will be used by a significant number of people who live or work outside the county in which the facility, service, or project is located;
- 18 (iii) Significant impacts are expected to be felt in more than one 19 county;
  - (iv) Potentially adverse impacts of the facility, service, program, or project can be better avoided or mitigated through adherence to regional policies;
  - (v) Transportation needs addressed by a project have been identified by the regional transportation planning process and the remedy is deemed to have regional significance; and
    - (vi) Provides for system continuity;
  - (c) Establishes level of service standards for state highways and state ferry routes, with the exception of transportation facilities of statewide significance as defined in RCW 47.06.140. These regionally established level of service standards for state highways and state developed jointly with the department ferries shall be of transportation, to encourage consistency across jurisdictions. In establishing level of service standards for state highways and state ferries, consideration shall be given for the necessary balance between providing for the free interjurisdictional movement of people and goods and the needs of local commuters using state facilities;
- 37 (d) Includes a financial plan demonstrating how the regional 38 transportation plan can be implemented, indicating resources from

public and private sources that are reasonably expected to be made available to carry out the plan, and recommending any innovative financing techniques to finance needed facilities, services, and programs;

- (e) Assesses regional development patterns, capital investment and other measures necessary to:
- (i) Ensure the preservation of the existing regional transportation system, including requirements for operational improvements, resurfacing, restoration, and rehabilitation of existing and future major roadways, as well as operations, maintenance, modernization, and rehabilitation of existing and future transit, railroad systems and corridors, and nonmotorized facilities; and
- (ii) Make the most efficient use of existing transportation facilities to relieve vehicular congestion and maximize the mobility of people and goods;
  - (f) Sets forth a proposed regional transportation approach, including capital investments, service improvements, programs, and transportation demand management measures to guide the development of the integrated, multimodal regional transportation system. For regional growth centers, the approach must address transportation concurrency strategies required under RCW 36.70A.070 and include a measurement of vehicle level of service for off-peak periods and total multimodal capacity for peak periods; and
  - (g) Where appropriate, sets forth the relationship of high capacity transportation providers and other public transit providers with regard to responsibility for, and the coordination between, services and facilities.
  - (2) Regional transportation planning organizations encompassing:
    (a) One county planning under RCW 36.70A.040 with one hundred thousand or more residents; or (b) two or more counties planning under RCW 36.70A.040, one of which has one hundred thousand or more residents, must ensure that the regional transportation plan for those counties implements the goals to reduce annual per capita vehicle miles traveled adopted under RCW 47.01.440.
  - (3) The organization shall review the regional transportation plan biennially for currency and forward the adopted plan along with documentation of the biennial review to the state department of transportation. In satisfying the requirements of this subsection, the

p. 23 HB 1490

organization shall provide notice reasonably calculated to inform the public of the review, and opportunities for the public to comment on the review and plan adoption.

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((+3)) <u>(4)</u> All transportation projects, programs, and transportation demand management measures within the region that have an impact upon regional facilities or services must be consistent with the plan and with the adopted regional growth and transportation strategies.

- Sec. 11. RCW 43.21C.240 and 2003 c 298 s 2 are each amended to read as follows:
- (1) If the requirements of subsection (2) of this section are satisfied, a county, city, or town reviewing a project action shall determine that the requirements for environmental analysis, protection, and mitigation measures in the county, city, or town's development regulations and comprehensive plans adopted under chapter 36.70A RCW, and in other applicable local, state, or federal laws and rules provide adequate analysis of and mitigation for the specific adverse environmental impacts of the project action to which the requirements apply. Rules adopted by the department according to RCW 43.21C.110 regarding project specific impacts that may not have been adequately addressed apply to any determination made under this section. In these situations, in which all adverse environmental impacts will be mitigated below the level of significance as a result of mitigation measures included by changing, clarifying, or conditioning of the action and/or regulatory requirements of development proposed regulations adopted under chapter 36.70A RCW or other local, state, or federal laws, a determination of nonsignificance or a mitigated determination of nonsignificance is the proper threshold determination.
- (2) A county, city, or town shall make the determination provided for in subsection (1) of this section if:
- (a) In the course of project review, including any required environmental analysis, the local government considers the specific probable adverse environmental impacts of the proposed action and determines that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan, subarea plan element of the comprehensive plan, or other local, state, or federal rules or laws; and

1 (b) The local government bases or conditions its approval on compliance with these requirements or mitigation measures.

- (3) If a county, city, or town's comprehensive plans, subarea plans, and development regulations adequately address a project's probable specific adverse environmental impacts, as determined under subsections (1) and (2) of this section, the county, city, or town shall not impose additional mitigation under this chapter during project review. Project review shall be integrated with environmental analysis under this chapter.
- (4) A comprehensive plan, subarea plan, or development regulation shall be considered to adequately address an impact if the county, city, or town, through the planning and environmental review process under chapter 36.70A RCW and this chapter, has identified the specific adverse environmental impacts and:
  - (a) The impacts have been avoided or otherwise mitigated; or
- (b) The legislative body of the county, city, or town has designated as acceptable certain levels of service, land use designations, development standards, or other land use planning required or allowed by chapter 36.70A RCW.
- (5) In deciding whether a specific adverse environmental impact has been addressed by an existing rule or law of another agency with jurisdiction with environmental expertise with regard to a specific environmental impact, the county, city, or town shall consult orally or in writing with that agency and may expressly defer to that agency. In making this deferral, the county, city, or town shall base or condition its project approval on compliance with these other existing rules or laws.
- (6) Nothing in this section limits the authority of an agency in its review or mitigation of a project to adopt or otherwise rely on environmental analyses and requirements under other laws, as provided by this chapter.
- (7) A project action that is consistent with the applicable comprehensive plan and development regulations may not be challenged for noncompliance under this chapter with greenhouse gas emissions requirements if:
- 36 <u>(a) The county, city, or town in which the project action is</u> 37 <u>located has prepared an environmental impact statement under RCW</u>

p. 25 HB 1490

1 43.21C.030 for the area covered by the comprehensive plan or subarea 2 plan that includes a greenhouse gas emissions analysis;

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- (b) The county, city, or town in which the project action is located has adopted a comprehensive plan or subarea plan and development regulations that comply with subsections (3) and (4) of this section;
- (c) The comprehensive plan and development regulations will reduce greenhouse gas emissions in accordance with RCW 70.235.020, and per capita vehicle miles traveled in accordance with RCW 47.01.440;
- 10 <u>(d) The project action complies with the definition of compact</u> 11 development in RCW 36.70A.108; and
- (e) The project action is located in an urban growth area and a center designated by the county, city, or town comprehensive plan.
- 14 <u>(8)</u> This section shall apply only to a county, city, or town planning under RCW 36.70A.040.
- NEW SECTION. Sec. 12. A new section is added to chapter 43.21C RCW to read as follows:
  - Cities and towns authorizing compact development in designated centers or participating in a regional transfer of development rights program under chapter 43.362 RCW may impose environmental fees on development activity as part of the financing for environmental review under this chapter. Environmental fees imposed under this section:
  - (1) May only be for: (a) A subarea plan for which the impacts of compact development have been addressed by the applicable city or town; or (b) a regional transfer of development rights program receiving area for which the impacts of development within the receiving area have been addressed by the applicable city or town;
  - (2) May only be for environmental review costs that have been identified as reasonably related to the new development;
  - (3) May not exceed a proportionate share of the environmental review costs financed under RCW 36.70A.500, if any, or the costs of environmental review and holding costs that would have been borne by the development if no environmental review had occurred; and
- 34 (4) Must be used to repay a loan authorized under RCW 36.70A.500, 35 if applicable.

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1 **Sec. 13.** RCW 81.104.015 and 1999 c 202 s 9 are each amended to 2 read as follows:

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

- (1) "High capacity transportation system" means a system of public transportation services within an urbanized region operating principally on exclusive rights-of-way, and the supporting services and facilities necessary to implement such a system, including regional transit systems and interim express services and high occupancy vehicle lanes, which taken as a whole, provides a substantially higher level of passenger capacity, speed, and service frequency than traditional public transportation systems operating principally in general purpose roadways.
- (2) "Rail fixed guideway system" means a light, heavy, or rapid rail system, monorail, inclined plane, funicular, trolley, or other fixed rail guideway component of a high capacity transportation system that is not regulated by the Federal Railroad Administration, or its successor. "Rail fixed guideway system" does not mean elevators, moving sidewalks or stairs, and vehicles suspended from aerial cables, unless they are an integral component of a station served by a rail fixed guideway system.
- (3) "Regional transit system" means a high capacity transportation system under the jurisdiction of one or more transit agencies except where a regional transit authority created under chapter 81.112 RCW exists, in which case "regional transit system" means the high capacity transportation system under the jurisdiction of a regional transit authority.
- 28 (4) "Transit agency" means city-owned transit systems, county 29 transportation authorities, metropolitan municipal corporations, and 30 public transportation benefit areas.
- NEW SECTION. Sec. 14. A new section is added to chapter 81.112 32 RCW to read as follows:
- 33 (1) An authority that owns surplus land located within one-half 34 mile of a major transit station must provide qualifying public or 35 nonprofit entities an opportunity of first offer to develop the land. 36 For purposes of this section, a "qualifying public or nonprofit entity" 37 is an entity that: (a) Is eligible for assistance from the housing

p. 27 HB 1490

trust fund established in chapter 43.185 RCW; (b) will seek assistance from the housing trust fund for development of the land; and (c) meets other financial and development requirements of the authority.

- (2) Nothing in this section is intended to conflict with federal requirements or to require an authority to forego federal funding or incentives to develop property around transit stations.
- **Sec. 15.** RCW 82.14.0455 and 2006 c 311 s 16 are each amended to 8 read as follows:
  - (1) Subject to the provisions in RCW 36.73.065, a transportation benefit district under chapter 36.73 RCW may fix and impose a sales and use tax in accordance with the terms of this chapter. The tax authorized in this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the district. The rate of tax shall not exceed two-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. ((The tax may not be imposed for a period exceeding ten years. This tax may be extended for a period not exceeding ten years with an affirmative vote of the voters voting at the election.))
- 21 (2) Money received from the tax imposed under this section must be 22 spent in accordance with the requirements of chapter 36.73 RCW.
- 23 NEW SECTION. Sec. 16. This act takes effect December 1, 2011.

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