

SENATE BILL REPORT

SB 6420

As of February 1, 2016

Title: An act relating to land capacity review and evaluation.

Brief Description: Modifying certain land capacity review and evaluation requirements.

Sponsors: Senators Roach and Takko.

Brief History:

Committee Activity: Government Operations & Security: 1/28/16.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

Staff: Karen Epps (786-7424)

Background: The Growth Management Act (GMA) is the comprehensive land-use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, GMA establishes land use designation and environmental protection requirements for all Washington counties and cities, and a significantly wider array of planning duties for the 28 counties and the cities within them that fully plan under the GMA.

Six western Washington counties – Clark, King, Kitsap, Pierce, Snohomish, and Thurston – and the cities within those counties must adopt countywide planning policies and establish a review and evaluation process known as the Buildable Lands Program (BLP). The purpose of the BLP is to determine whether a county and its cities are achieving appropriate urban densities within urban growth areas (UGAs) and to identify measures, other than adjusting UGAs, that will be taken to comply with the GMA.

The evaluation component of the BLP – Buildable Lands Reports – must:

- determine whether there is sufficient suitable land to accommodate the countywide population projection and the population allocations between the county and the cities;
- determine the actual density of housing constructed and the actual amount of land developed for commercial and industrial uses within the UGA since the adoption of the comprehensive plan; and
- using the actual density of development, review commercial, industrial, and housing needs by type and density range to determine the amount of land needed for

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commercial, industrial, and housing for the remaining portion of the 20-year planning period used on the most recent comprehensive plan.

If the Buildable Lands Reports demonstrate an inconsistency between what has occurred since adoption of countywide planning policies and the county and city comprehensive plans, the county and its cities must adopt and implement measures that are reasonably likely to increase consistency during the subsequent five-year period.

Summary of Bill: Reasonable measures that may be taken to comply with the BLP include allowing counties that are not achieving appropriate urban densities within UGAs to adjust the UGAs and to allow the division of lands within UGAs that are not yet served by sewer systems. Counties must use a land capacity analysis when making determinations in the Buildable Lands Report.

If the Buildable Lands Reports demonstrate an inconsistency between what has occurred since the adoption of countywide planning policies and county and city comprehensive plans, the county and its cities must adopt and implement measures that bring them into compliance with the GMA during the subsequent five-year period, rather than measures that are reasonably likely to increase consistency.

Available and suitable land for development must not include land in areas where building is likely to be unavailable for development, lands where building is constrained by certain conditions, or parcels containing a building on the property that is valued at over \$13,000, is tax exempt, or is a mobile home park. Parcels that may not be considered available and suitable for commercial construction include lands where building is constrained by certain conditions, parcels where the building value is more than \$67,500, and parcels that are assessed with other parcels, tax exempt, less than 5000 square feet, or state assessed or institutional. Lands designated as underutilized do not include:

- for residential construction, lands where building is constrained by certain conditions, or parcels containing a building on the property that is valued at over \$13,000, is tax exempt, or is a mobile home park; and lands with a building value per acre above the twentieth percentile of building value per acre for all residential parcels within the UGAs in the county; or
- for commercial construction, lands where building is constrained by certain conditions, and lands with a building value per acre of \$50,000 or more.

The BLP applies to every local jurisdiction planning under GMA. In any action brought under the Uniform Declaratory Judgments Act to ensure compliance with the BLP, the prevailing party may be entitled to reasonable costs and attorneys' fees.

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: PRO: Over the last several years, the committee has had a number of work sessions and has heard prior bills looking at the buildable lands reports. It appears clearly that the current jurisdictions are following the guidelines, yet the outcomes are flawed. This leads policy makers to inadvertently place a city with a presumed inaccurate land capacity, which oftentimes is not real. GMA goal No. 4, housing, says to encourage the availability of affordable housing to all economic segments of the population, promote a variety of residential density and housing types, and to encourage preservation of existing housing stock. The buildable lands report, and its weakness, does not promote those goals. The current process does not work to achieve those goals. There is a bigger concern about what land is available in the communities to develop. There is a huge housing affordability issue. Accurate city plans and data will enable us to build our communities.

CON: This bill is an unfunded mandate on counties and cities. The methodology and the value points used in the bill to describe whether a parcel is buildable does not apply accurately to all counties. The current law provides authority and flexibility to look at land capacity within each jurisdiction, but this bill would set up a situation in which there is a 100 acre parcel with a \$13,000 shed on it that would be considered not buildable because of the shed. This bill has a number of unintended consequences. Allowing for the division of lands without connecting to sewer would be huge in some counties, but the study required in this bill would cost the counties so much. The current estimate to implement this bill would be \$30 million for cities and counties. One size does not fit all, and that is true of GMA planning. Asking counties like Pacific, Columbia, Garfield, and Ferry - counties whose population in all four counties only grew by 455 people over a five-year period - to plan in the same way as our largest counties does not quite make sense. It is important to be strategic even within counties, like Skagit, which has growth along the I-5 corridor but not in the more rural areas. The bill would set up a process in which counties that do not comply with this section would lose not only grants to do buildable lands report, but all growth management-related funding.

OTHER: There are a number of unintended consequences with this bill as presently crafted. Valuable data is necessary for good planning under the GMA. The bill is a "one size fits all" option with dollar thresholds that do not take in account the differences in building costs throughout the state. This bill could allow the UGAs to be expanded into the agricultural lands and resource lands, which puts further pressure on infrastructure development and costs, as well as on the state's highway system.

Persons Testifying: PRO: Jeanette McKague, Washington REALTORS; Art Castle, Building Industry Assn of WA.

CON: Tiffany Speir, Pierce County; Bryce Yadon, Futurewise; David Williams, Assn of WA Cities; Michael Rizzitiello, City of Colfax, Washington; Randy Neatherlin, Mason County Commissioner; Eric Johnson, WA State Assn of Counties.

OTHER: Jeff Wilson, Dept of Commerce.

Persons Signed In To Testify But Not Testifying: No one.