

SENATE BILL REPORT

SB 5615

As Reported by Senate Committee On:
Local Government, February 14, 2017

Title: An act relating to the development of new manufactured housing communities outside of urban growth areas under the growth management act.

Brief Description: Authorizing the development of new manufactured housing communities outside of urban growth areas under the growth management act.

Sponsors: Senators Sheldon, Padden, Fortunato, Hobbs, Warnick and Wilson.

Brief History:

Committee Activity: Local Government: 2/07/17, 2/14/17 [DP].

Brief Summary of Bill

- Permits counties to establish manufactured housing communities outside of urban growth areas in the same manner as fully contained communities.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Short, Chair; Angel, Vice Chair; Takko, Ranking Minority Member; Palumbo and Sheldon.

Staff: Alex Fairfortune (786-7416)

Background: The Growth Management Act (GMA) is the comprehensive land-use planning framework for counties and cities in Washington. Counties that fully plan under the GMA must adopt comprehensive plans to express their general land-use policies. Each comprehensive plan must designate urban growth areas, where urban growth is encouraged. Urban growth areas must include land areas and densities sufficient to accommodate the future population growth that is projected to occur over the next 20 years. Outside of urban growth areas, growth may only occur if it is non-urban in nature, with some exceptions.

One exception to the urban growth requirement is that any county may approve new, fully contained communities outside of urban growth areas. These communities must meet

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specific planning criteria to address transit, job, and housing needs, to reduce the spread of urban development into nonurban areas, and to comply with protections of designated commercial lands and critical areas. Any county that establishes a fully contained community must reserve a portion of its 20-year population projection and offset its urban growth areas according to this population shift. Final approval of a fully contained community is considered an adopted amendment to the comprehensive plan.

Summary of Bill: Counties may establish manufactured housing communities outside of urban growth areas, in the same manner as fully contained communities. However, counties that establish manufactured housing communities outside of urban growth areas do not need to reserve a portion of their 20-year population projections or offset their urban growth areas accordingly.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: Gives flexibility to local cities to allow affordable housing at the edge of UGAs, as the law originally intended it to do. It is good for the state, county, tenants, and investors. If a housing authority or nonprofit wanted to build one of these housing communities, they could. The GMA has directly or indirectly caused a reduction in the number of manufactured housing communities available across the state. Manufactured housing is a completely privately funded source of affordable housing. Decades of passive or non-passive discrimination by municipalities has reduced manufactured housing communities. In the state, 9 percent of housing is manufactured housing but only 2.3 percent is in manufactured housing communities. Within Spokane, 1.4 percent is manufactured housing. In Spokane, communities can be built but they have to be ten acres or more, which is impossible to find. Previously communities would "leap-frog", which means once one reached an age of reduced profitability it would be sold and a new one would be built at the edge of the city where land was affordable, until the city eventually grew up around it. A new manufactured housing community hasn't been built in the state in 20 years because the GMA prohibits these communities from being built outside of boundaries where they have historically been built.

CON: Manufactured communities only provide the land on which the homes are cited, and this land becomes less and less affordable over time. Three hundred households will be displaced this year due to the land underneath them being sold for redevelopment. Manufactured housing communities outside of urban growth areas are another take on speculative development since they could be redeveloped for other purposes at any time. The only way to guarantee that this pilot project succeeds is to ensure the following criteria are met: land should be zoned as manufactured housing community, the landlord must be required to sell it to an HOA or nonprofit if they choose to sell, the rent should be tied to the CPI or limited to 30 percent of household income, and the owners should have long term leases so they can be compensated if the land is sold. It is a concern to have increased

density in rural areas where there are no services or infrastructure. It ends up being a high cost to taxpayers to provide those water, sewer, and transportation services.

Persons Testifying: PRO: Senator Tim Sheldon, Prime Sponsor; Robert Cochran, Contempo MHP/Manufactured Housing Communities of WA; Craig Hillis, MHCW; Chester Baldwin, Manufactured Housing Communities of WA.

CON: Ishbel Dickens, Assn. of Manufactured Home Owners (AMHO); Bryce Yadon, Futurewise.

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