

CERTIFICATION OF ENROLLMENT

**ENGROSSED SECOND SUBSTITUTE SENATE BILL 5254**

65th Legislature  
2017 3rd Special Session

Passed by the Senate June 29, 2017  
Yeas 47 Nays 2

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**President of the Senate**

Passed by the House June 29, 2017  
Yeas 85 Nays 9

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**Speaker of the House of Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE SENATE BILL 5254** as passed by Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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ENGROSSED SECOND SUBSTITUTE SENATE BILL 5254

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Passed Legislature - 2017 3rd Special Session

State of Washington

65th Legislature

2017 Regular Session

By Senate Ways & Means (originally sponsored by Senators Fain, Palumbo, Zeiger, Angel, Hobbs, and Mullet)

READ FIRST TIME 03/22/17.

1 AN ACT Relating to ensuring adequacy of buildable lands and  
2 zoning in urban growth areas and providing funding for low-income  
3 housing and homelessness programs; amending RCW 36.70A.115,  
4 36.70A.215, 36.70A.070, 36.22.179, 82.46.037, and 43.21C.440; adding  
5 a new section to chapter 36.70A RCW; and providing an expiration  
6 date.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 **Sec. 1.** RCW 36.70A.115 and 2009 c 121 s 3 are each amended to  
9 read as follows:

10 (1) Counties and cities that are required or choose to plan under  
11 RCW 36.70A.040 shall ensure that, taken collectively, adoption of and  
12 amendments to their comprehensive plans and/or development  
13 regulations provide sufficient capacity of land suitable for  
14 development within their jurisdictions to accommodate their allocated  
15 housing and employment growth, including the accommodation of, as  
16 appropriate, the medical, governmental, educational, institutional,  
17 commercial, and industrial facilities related to such growth, as  
18 adopted in the applicable countywide planning policies and consistent  
19 with the twenty-year population forecast from the office of financial  
20 management.

1       (2) This analysis shall include the reasonable measures findings  
2 developed under RCW 36.70A.215, if applicable to such counties and  
3 cities.

4       **Sec. 2.** RCW 36.70A.215 and 2011 c 353 s 3 are each amended to  
5 read as follows:

6       (1) Subject to the limitations in subsection (~~(+7+)~~) (5) of this  
7 section, a county shall adopt, in consultation with its cities,  
8 countywide planning policies to establish a review and evaluation  
9 program. This program shall be in addition to the requirements of RCW  
10 36.70A.110, 36.70A.130, and 36.70A.210. In developing and  
11 implementing the review and evaluation program required by this  
12 section, the county and its cities shall consider information from  
13 other appropriate jurisdictions and sources. The purpose of the  
14 review and evaluation program shall be to:

15       (a) Determine whether a county and its cities are achieving urban  
16 densities within urban growth areas by comparing growth and  
17 development assumptions, targets, and objectives contained in the  
18 countywide planning policies and the county and city comprehensive  
19 plans with actual growth and development that has occurred in the  
20 county and its cities; and

21       (b) Identify reasonable measures, other than adjusting urban  
22 growth areas, that will be taken to comply with the requirements of  
23 this chapter. Reasonable measures are those actions necessary to  
24 reduce the differences between growth and development assumptions and  
25 targets contained in the countywide planning policies and the county  
26 and city comprehensive plans with actual development patterns. The  
27 reasonable measures process in subsection (3) of this section shall  
28 be used as part of the next comprehensive plan update to reconcile  
29 inconsistencies.

30       (2) The review and evaluation program shall:

31       (a) Encompass land uses and activities both within and outside of  
32 urban growth areas and provide for annual collection of data on urban  
33 and rural land uses, development, zoning and development standards,  
34 environmental regulations including but not limited to critical  
35 areas, stormwater, shoreline, and tree retention requirements; and  
36 capital facilities (~~(to the extent necessary)~~) to determine the  
37 quantity and type of land suitable for development, both for  
38 residential and employment-based activities;

1 (b) Provide for evaluation of the data collected under (a) of  
2 this subsection as provided in subsection (3) of this section. The  
3 evaluation shall be completed no later than ~~((one))~~ three years prior  
4 to the deadline for review and, if necessary, update of comprehensive  
5 plans and development regulations as required by RCW 36.70A.130. For  
6 comprehensive plans required to be updated before 2024, the  
7 evaluation as provided in subsection (3) of this section shall be  
8 completed no later than two years prior to the deadline for review  
9 and, if necessary, update of comprehensive plans. The county and its  
10 cities may establish in the countywide planning policies indicators,  
11 benchmarks, and other similar criteria to use in conducting the  
12 evaluation;

13 (c) Provide for methods to resolve disputes among jurisdictions  
14 relating to the countywide planning policies required by this section  
15 and procedures to resolve inconsistencies in collection and analysis  
16 of data; and

17 ~~((Provide for the amendment of the countywide policies and~~  
18 ~~county and city comprehensive plans as needed to remedy an~~  
19 ~~inconsistency identified through the evaluation required by this~~  
20 ~~section, or to bring these policies into compliance with the~~  
21 ~~requirements of this chapter.)) Develop reasonable measures to use in  
22 reducing the differences between growth and development assumptions  
23 and targets contained in the countywide planning policies and county  
24 and city comprehensive plans, with the actual development patterns.  
25 The reasonable measures shall be adopted, if necessary, into the  
26 countywide planning policies and the county or city comprehensive  
27 plans and development regulations during the next scheduled update of  
28 the plans.~~

29 (3) At a minimum, the evaluation component of the program  
30 required by subsection (1) of this section shall:

31 (a) Determine whether there is sufficient suitable land to  
32 accommodate the countywide population projection established for the  
33 county pursuant to RCW 43.62.035 and the subsequent population  
34 allocations within the county and between the county and its cities  
35 and the requirements of RCW 36.70A.110(~~(+~~

36 ~~b))~~). The zoned capacity of land alone is not a sufficient  
37 standard to deem land suitable for development or redevelopment  
38 within the twenty-year planning period;

39 (b) An evaluation and identification of land suitable for  
40 development or redevelopment shall include:

1 (i) A review and evaluation of the land use designation and  
2 zoning/development regulations; environmental regulations (such as  
3 tree retention, stormwater, or critical area regulations) impacting  
4 development; and other regulations that could prevent assigned  
5 densities from being achieved; infrastructure gaps (including but not  
6 limited to transportation, water, sewer, and stormwater); and

7 (ii) Use of a reasonable land market supply factor when  
8 evaluating land suitable to accommodate new development or  
9 redevelopment of land for residential development and employment  
10 activities. The reasonable market supply factor identifies reductions  
11 in the amount of land suitable for development and redevelopment. The  
12 methodology for conducting a reasonable land market factor shall be  
13 determined through the guidance developed in section 3 of this act;

14 (c) Provide an analysis of county and/or city development  
15 assumptions, targets, and objectives contained in the countywide  
16 planning policies and the county and city comprehensive plans when  
17 growth targets and assumptions are not being achieved. It is not  
18 appropriate to make a finding that assumed growth contained in the  
19 countywide planning policies and the county or city comprehensive  
20 plan will occur at the end of the current comprehensive planning  
21 twenty-year planning cycle without rationale;

22 (d) Determine the actual density of housing that has been  
23 constructed and the actual amount of land developed for commercial  
24 and industrial uses within the urban growth area since the adoption  
25 of a comprehensive plan under this chapter or since the last periodic  
26 evaluation as required by subsection (1) of this section; and

27 ~~((e))~~ (e) Based on the actual density of development as  
28 determined under (b) of this subsection, review commercial,  
29 industrial, and housing needs by type and density range to determine  
30 the amount of land needed for commercial, industrial, and housing for  
31 the remaining portion of the twenty-year planning period used in the  
32 most recently adopted comprehensive plan.

33 ~~(4) ((If the evaluation required by subsection (3) of this~~  
34 ~~section demonstrates an inconsistency between what has occurred since~~  
35 ~~the adoption of the countywide planning policies and the county and~~  
36 ~~city comprehensive plans and development regulations and what was~~  
37 ~~envisioned in those policies and plans and the planning goals and the~~  
38 ~~requirements of this chapter, as the inconsistency relates to the~~  
39 ~~evaluation factors specified in subsection (3) of this section, the~~  
40 ~~county and its cities shall adopt and implement measures that are~~

1 reasonably likely to increase consistency during the subsequent five-  
2 year period. If necessary, a county, in consultation with its cities  
3 as required by RCW 36.70A.210, shall adopt amendments to countywide  
4 planning policies to increase consistency. The county and its cities  
5 shall annually monitor the measures adopted under this subsection to  
6 determine their effect and may revise or rescind them as appropriate.

7 ~~(5)(a) Not later than July 1, 1998, the department shall prepare~~  
8 ~~a list of methods used by counties and cities in carrying out the~~  
9 ~~types of activities required by this section. The department shall~~  
10 ~~provide this information and appropriate technical assistance to~~  
11 ~~counties and cities required to or choosing to comply with the~~  
12 ~~provisions of this section.~~

13 ~~(b) By December 31, 2007, the department shall submit to the~~  
14 ~~appropriate committees of the legislature a report analyzing the~~  
15 ~~effectiveness of the activities described in this section in~~  
16 ~~achieving the goals envisioned by the countywide planning policies~~  
17 ~~and the comprehensive plans and development regulations of the~~  
18 ~~counties and cities.~~

19 ~~(6))~~ From funds appropriated by the legislature for this  
20 purpose, the department shall provide grants to counties, cities, and  
21 regional planning organizations required under subsection ~~((7))~~ (5)  
22 of this section to conduct the review and perform the evaluation  
23 required by this section.

24 ~~((7))~~ (5) The provisions of this section shall apply to  
25 counties, and the cities within those counties, that were greater  
26 than one hundred fifty thousand in population in ~~((1995))~~ 1996 as  
27 determined by office of financial management population estimates and  
28 that are located west of the crest of the Cascade mountain range. Any  
29 other county planning under RCW 36.70A.040 may carry out the review,  
30 evaluation, and amendment programs and procedures as provided in this  
31 section.

32 (6) The requirements of this section are subject to the  
33 availability of funds appropriated for this specific purpose. If  
34 sufficient funds are not appropriated consistent with the timelines  
35 in subsection (2)(b) of this section, counties and cities shall be  
36 subject to the review and evaluation program as it existed prior to  
37 the effective date of this section.

38 NEW SECTION. Sec. 3. A new section is added to chapter 36.70A  
39 RCW to read as follows:

1 (1) The department of commerce, through a contract with a land  
2 use and economics entity, shall develop guidance for local  
3 governments on the review and evaluation program in RCW 36.70A.215.  
4 The contract shall be with an entity experienced in serving private  
5 and public sector clients which can assist developers and policy  
6 makers to understand near-term market realities and long-term  
7 planning considerations, and with experience facilitating successful  
8 conversations between multiple local governments and stakeholders on  
9 complex land use issues. The department of commerce shall enable  
10 appropriate public participation by affected stakeholders in the  
11 development of the guidance for the appropriate market factor  
12 analysis and review and update of the overall buildable lands  
13 program. This guidance regarding the market factor methodology and  
14 buildable lands program shall be completed by December 1, 2018. The  
15 buildable lands guidance shall analyze and provide recommendations  
16 on:

17 (a) The review and evaluation program in RCW 36.70A.215 and  
18 changes to the required information to be analyzed within the program  
19 to increase the accuracy of the report when updating countywide  
20 planning policies and the county and city comprehensive plans;

21 (b) Whether a more effective schedule could be developed for  
22 countywide planning policies and the county and city comprehensive  
23 plan updates to better align with implementing reasonable measures  
24 identified through the review and evaluation program, and population  
25 projections and census data while maintaining appropriate and timely  
26 consideration of planning needs best done through a comprehensive  
27 planning process;

28 (c) A determination on how reasonable measures, based on the  
29 review and evaluation program, should be implemented into updates for  
30 countywide planning policies and the county and city comprehensive  
31 plans;

32 (d) Infrastructure costs, including but not limited to  
33 transportation, water, sewer, stormwater, and the cost to provide new  
34 or upgraded infrastructure if required to serve development; cost of  
35 development; timelines to permit and develop land; market  
36 availability of land; the nexus between proposed densities, economic  
37 conditions needed to achieve those densities, and the impact to  
38 housing affordability for home ownership and rental housing; and,  
39 market demand when evaluating if land is suitable for development or

1 redevelopment. These all have an impact on whether development occurs  
2 or if planned for densities will differ from achieved densities;

3 (e) Identifying the measures to increase housing availability and  
4 affordability for all economic segments of the community and the  
5 factors contributing to the high cost of housing including zoning/  
6 development/environmental regulations, permit processing timelines,  
7 housing production trends by housing type and rents and prices,  
8 national and regional economic and demographic trends affecting  
9 housing affordability and production by rents and prices, housing  
10 unit size by housing type, and how well growth targets align with  
11 market conditions including the assumptions on where people desire to  
12 live;

13 (f) Evaluating how existing zoning and land use regulations are  
14 promoting or hindering attainment of the goal for affordable housing  
15 in RCW 36.70A.020(4). Barriers to meeting this goal shall be  
16 identified and considered as possible reasonable measures for each  
17 county and city, and as part of the next countywide planning policies  
18 and county and city comprehensive plan update;

19 (g) Identifying opportunities and strategies to encourage growth  
20 within urban growth areas;

21 (h) Identifying strategies to increase local government capacity  
22 to invest in the infrastructure necessary to accommodate growth and  
23 provide opportunities for affordable housing across all economic  
24 segments of the community and housing types; and

25 (i) Other topics identified by stakeholders and the department.

26 (2) The requirements of this section are subject to the  
27 availability of funds appropriated for this specific purpose.

28 **Sec. 4.** RCW 36.70A.070 and 2017 c 331 s 2 are each amended to  
29 read as follows:

30 The comprehensive plan of a county or city that is required or  
31 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,  
32 and descriptive text covering objectives, principles, and standards  
33 used to develop the comprehensive plan. The plan shall be an  
34 internally consistent document and all elements shall be consistent  
35 with the future land use map. A comprehensive plan shall be adopted  
36 and amended with public participation as provided in RCW 36.70A.140.  
37 Each comprehensive plan shall include a plan, scheme, or design for  
38 each of the following:



1 (1) A land use element designating the proposed general  
2 distribution and general location and extent of the uses of land,  
3 where appropriate, for agriculture, timber production, housing,  
4 commerce, industry, recreation, open spaces, general aviation  
5 airports, public utilities, public facilities, and other land uses.  
6 The land use element shall include population densities, building  
7 intensities, and estimates of future population growth. The land use  
8 element shall provide for protection of the quality and quantity of  
9 groundwater used for public water supplies. Wherever possible, the  
10 land use element should consider utilizing urban planning approaches  
11 that promote physical activity. Where applicable, the land use  
12 element shall review drainage, flooding, and storm water run-off in  
13 the area and nearby jurisdictions and provide guidance for corrective  
14 actions to mitigate or cleanse those discharges that pollute waters  
15 of the state, including Puget Sound or waters entering Puget Sound.

16 (2) A housing element ensuring the vitality and character of  
17 established residential neighborhoods that: (a) Includes an inventory  
18 and analysis of existing and projected housing needs that identifies  
19 the number of housing units necessary to manage projected growth; (b)  
20 includes a statement of goals, policies, objectives, and mandatory  
21 provisions for the preservation, improvement, and development of  
22 housing, including single-family residences; (c) identifies  
23 sufficient land for housing, including, but not limited to,  
24 government-assisted housing, housing for low-income families,  
25 manufactured housing, multifamily housing, and group homes and foster  
26 care facilities; and (d) makes adequate provisions for existing and  
27 projected needs of all economic segments of the community. In  
28 counties and cities subject to the review and evaluation requirements  
29 of RCW 36.70A.215, any revision to the housing element shall include  
30 consideration of prior review and evaluation reports and any  
31 reasonable measures identified.

32 (3) A capital facilities plan element consisting of: (a) An  
33 inventory of existing capital facilities owned by public entities,  
34 showing the locations and capacities of the capital facilities; (b) a  
35 forecast of the future needs for such capital facilities; (c) the  
36 proposed locations and capacities of expanded or new capital  
37 facilities; (d) at least a six-year plan that will finance such  
38 capital facilities within projected funding capacities and clearly  
39 identifies sources of public money for such purposes; and (e) a  
40 requirement to reassess the land use element if probable funding

1 falls short of meeting existing needs and to ensure that the land use  
2 element, capital facilities plan element, and financing plan within  
3 the capital facilities plan element are coordinated and consistent.  
4 Park and recreation facilities shall be included in the capital  
5 facilities plan element.

6 (4) A utilities element consisting of the general location,  
7 proposed location, and capacity of all existing and proposed  
8 utilities, including, but not limited to, electrical lines,  
9 telecommunication lines, and natural gas lines.

10 (5) Rural element. Counties shall include a rural element  
11 including lands that are not designated for urban growth,  
12 agriculture, forest, or mineral resources. The following provisions  
13 shall apply to the rural element:

14 (a) Growth management act goals and local circumstances. Because  
15 circumstances vary from county to county, in establishing patterns of  
16 rural densities and uses, a county may consider local circumstances,  
17 but shall develop a written record explaining how the rural element  
18 harmonizes the planning goals in RCW 36.70A.020 and meets the  
19 requirements of this chapter.

20 (b) Rural development. The rural element shall permit rural  
21 development, forestry, and agriculture in rural areas. The rural  
22 element shall provide for a variety of rural densities, uses,  
23 essential public facilities, and rural governmental services needed  
24 to serve the permitted densities and uses. To achieve a variety of  
25 rural densities and uses, counties may provide for clustering,  
26 density transfer, design guidelines, conservation easements, and  
27 other innovative techniques that will accommodate appropriate rural  
28 economic advancement, densities, and uses that are not characterized  
29 by urban growth and that are consistent with rural character.

30 (c) Measures governing rural development. The rural element shall  
31 include measures that apply to rural development and protect the  
32 rural character of the area, as established by the county, by:

- 33 (i) Containing or otherwise controlling rural development;
- 34 (ii) Assuring visual compatibility of rural development with the  
35 surrounding rural area;
- 36 (iii) Reducing the inappropriate conversion of undeveloped land  
37 into sprawling, low-density development in the rural area;
- 38 (iv) Protecting critical areas, as provided in RCW 36.70A.060,  
39 and surface water and groundwater resources; and

1 (v) Protecting against conflicts with the use of agricultural,  
2 forest, and mineral resource lands designated under RCW 36.70A.170.

3 (d) Limited areas of more intensive rural development. Subject to  
4 the requirements of this subsection and except as otherwise  
5 specifically provided in this subsection (5)(d), the rural element  
6 may allow for limited areas of more intensive rural development,  
7 including necessary public facilities and public services to serve  
8 the limited area as follows:

9 (i) Rural development consisting of the infill, development, or  
10 redevelopment of existing commercial, industrial, residential, or  
11 mixed-use areas, whether characterized as shoreline development,  
12 villages, hamlets, rural activity centers, or crossroads  
13 developments.

14 (A) A commercial, industrial, residential, shoreline, or mixed-  
15 use area are subject to the requirements of (d)(iv) of this  
16 subsection, but are not subject to the requirements of (c)(ii) and  
17 (iii) of this subsection.

18 (B) Any development or redevelopment other than an industrial  
19 area or an industrial use within a mixed-use area or an industrial  
20 area under this subsection (5)(d)(i) must be principally designed to  
21 serve the existing and projected rural population.

22 (C) Any development or redevelopment in terms of building size,  
23 scale, use, or intensity shall be consistent with the character of  
24 the existing areas. Development and redevelopment may include changes  
25 in use from vacant land or a previously existing use so long as the  
26 new use conforms to the requirements of this subsection (5);

27 (ii) The intensification of development on lots containing, or  
28 new development of, small-scale recreational or tourist uses,  
29 including commercial facilities to serve those recreational or  
30 tourist uses, that rely on a rural location and setting, but that do  
31 not include new residential development. A small-scale recreation or  
32 tourist use is not required to be principally designed to serve the  
33 existing and projected rural population. Public services and public  
34 facilities shall be limited to those necessary to serve the  
35 recreation or tourist use and shall be provided in a manner that does  
36 not permit low-density sprawl;

37 (iii) The intensification of development on lots containing  
38 isolated nonresidential uses or new development of isolated cottage  
39 industries and isolated small-scale businesses that are not  
40 principally designed to serve the existing and projected rural

1 population and nonresidential uses, but do provide job opportunities  
2 for rural residents. Rural counties may allow the expansion of small-  
3 scale businesses as long as those small-scale businesses conform with  
4 the rural character of the area as defined by the local government  
5 according to RCW 36.70A.030(15). Rural counties may also allow new  
6 small-scale businesses to utilize a site previously occupied by an  
7 existing business as long as the new small-scale business conforms to  
8 the rural character of the area as defined by the local government  
9 according to RCW 36.70A.030(15). Public services and public  
10 facilities shall be limited to those necessary to serve the isolated  
11 nonresidential use and shall be provided in a manner that does not  
12 permit low-density sprawl;

13 (iv) A county shall adopt measures to minimize and contain the  
14 existing areas or uses of more intensive rural development, as  
15 appropriate, authorized under this subsection. Lands included in such  
16 existing areas or uses shall not extend beyond the logical outer  
17 boundary of the existing area or use, thereby allowing a new pattern  
18 of low-density sprawl. Existing areas are those that are clearly  
19 identifiable and contained and where there is a logical boundary  
20 delineated predominately by the built environment, but that may also  
21 include undeveloped lands if limited as provided in this subsection.  
22 The county shall establish the logical outer boundary of an area of  
23 more intensive rural development. In establishing the logical outer  
24 boundary, the county shall address (A) the need to preserve the  
25 character of existing natural neighborhoods and communities, (B)  
26 physical boundaries, such as bodies of water, streets and highways,  
27 and land forms and contours, (C) the prevention of abnormally  
28 irregular boundaries, and (D) the ability to provide public  
29 facilities and public services in a manner that does not permit low-  
30 density sprawl;

31 (v) For purposes of (d) of this subsection, an existing area or  
32 existing use is one that was in existence:

33 (A) On July 1, 1990, in a county that was initially required to  
34 plan under all of the provisions of this chapter;

35 (B) On the date the county adopted a resolution under RCW  
36 36.70A.040(2), in a county that is planning under all of the  
37 provisions of this chapter under RCW 36.70A.040(2); or

38 (C) On the date the office of financial management certifies the  
39 county's population as provided in RCW 36.70A.040(5), in a county

1 that is planning under all of the provisions of this chapter pursuant  
2 to RCW 36.70A.040(5).

3 (e) Exception. This subsection shall not be interpreted to permit  
4 in the rural area a major industrial development or a master planned  
5 resort unless otherwise specifically permitted under RCW 36.70A.360  
6 and 36.70A.365.

7 (6) A transportation element that implements, and is consistent  
8 with, the land use element.

9 (a) The transportation element shall include the following  
10 subelements:

11 (i) Land use assumptions used in estimating travel;

12 (ii) Estimated traffic impacts to state-owned transportation  
13 facilities resulting from land use assumptions to assist the  
14 department of transportation in monitoring the performance of state  
15 facilities, to plan improvements for the facilities, and to assess  
16 the impact of land-use decisions on state-owned transportation  
17 facilities;

18 (iii) Facilities and services needs, including:

19 (A) An inventory of air, water, and ground transportation  
20 facilities and services, including transit alignments and general  
21 aviation airport facilities, to define existing capital facilities  
22 and travel levels as a basis for future planning. This inventory must  
23 include state-owned transportation facilities within the city or  
24 county's jurisdictional boundaries;

25 (B) Level of service standards for all locally owned arterials  
26 and transit routes to serve as a gauge to judge performance of the  
27 system. These standards should be regionally coordinated;

28 (C) For state-owned transportation facilities, level of service  
29 standards for highways, as prescribed in chapters 47.06 and 47.80  
30 RCW, to gauge the performance of the system. The purposes of  
31 reflecting level of service standards for state highways in the local  
32 comprehensive plan are to monitor the performance of the system, to  
33 evaluate improvement strategies, and to facilitate coordination  
34 between the county's or city's six-year street, road, or transit  
35 program and the office of financial management's ten-year investment  
36 program. The concurrency requirements of (b) of this subsection do  
37 not apply to transportation facilities and services of statewide  
38 significance except for counties consisting of islands whose only  
39 connection to the mainland are state highways or ferry routes. In  
40 these island counties, state highways and ferry route capacity must

1 be a factor in meeting the concurrency requirements in (b) of this  
2 subsection;

3 (D) Specific actions and requirements for bringing into  
4 compliance locally owned transportation facilities or services that  
5 are below an established level of service standard;

6 (E) Forecasts of traffic for at least ten years based on the  
7 adopted land use plan to provide information on the location, timing,  
8 and capacity needs of future growth;

9 (F) Identification of state and local system needs to meet  
10 current and future demands. Identified needs on state-owned  
11 transportation facilities must be consistent with the statewide  
12 multimodal transportation plan required under chapter 47.06 RCW;

13 (iv) Finance, including:

14 (A) An analysis of funding capability to judge needs against  
15 probable funding resources;

16 (B) A multiyear financing plan based on the needs identified in  
17 the comprehensive plan, the appropriate parts of which shall serve as  
18 the basis for the six-year street, road, or transit program required  
19 by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW  
20 35.58.2795 for public transportation systems. The multiyear financing  
21 plan should be coordinated with the ten-year investment program  
22 developed by the office of financial management as required by RCW  
23 47.05.030;

24 (C) If probable funding falls short of meeting identified needs,  
25 a discussion of how additional funding will be raised, or how land  
26 use assumptions will be reassessed to ensure that level of service  
27 standards will be met;

28 (v) Intergovernmental coordination efforts, including an  
29 assessment of the impacts of the transportation plan and land use  
30 assumptions on the transportation systems of adjacent jurisdictions;

31 (vi) Demand-management strategies;

32 (vii) Pedestrian and bicycle component to include collaborative  
33 efforts to identify and designate planned improvements for pedestrian  
34 and bicycle facilities and corridors that address and encourage  
35 enhanced community access and promote healthy lifestyles.

36 (b) After adoption of the comprehensive plan by jurisdictions  
37 required to plan or who choose to plan under RCW 36.70A.040, local  
38 jurisdictions must adopt and enforce ordinances which prohibit  
39 development approval if the development causes the level of service  
40 on a locally owned transportation facility to decline below the

1 standards adopted in the transportation element of the comprehensive  
2 plan, unless transportation improvements or strategies to accommodate  
3 the impacts of development are made concurrent with the development.  
4 These strategies may include increased public transportation service,  
5 ride-sharing programs, demand management, and other transportation  
6 systems management strategies. For the purposes of this subsection  
7 (6), "concurrent with the development" means that improvements or  
8 strategies are in place at the time of development, or that a  
9 financial commitment is in place to complete the improvements or  
10 strategies within six years. If the collection of impact fees is  
11 delayed under RCW 82.02.050(3), the six-year period required by this  
12 subsection (6)(b) must begin after full payment of all impact fees is  
13 due to the county or city.

14 (c) The transportation element described in this subsection (6),  
15 the six-year plans required by RCW 35.77.010 for cities, RCW  
16 36.81.121 for counties, and RCW 35.58.2795 for public transportation  
17 systems, and the ten-year investment program required by RCW  
18 47.05.030 for the state, must be consistent.

19 (7) An economic development element establishing local goals,  
20 policies, objectives, and provisions for economic growth and vitality  
21 and a high quality of life. (~~The element may include the provisions~~  
22 ~~in section 3 of this act.~~) A city that has chosen to be a  
23 residential community is exempt from the economic development element  
24 requirement of this subsection.

25 (8) A park and recreation element that implements, and is  
26 consistent with, the capital facilities plan element as it relates to  
27 park and recreation facilities. The element shall include: (a)  
28 Estimates of park and recreation demand for at least a ten-year  
29 period; (b) an evaluation of facilities and service needs; and (c) an  
30 evaluation of intergovernmental coordination opportunities to provide  
31 regional approaches for meeting park and recreational demand.

32 (9) It is the intent that new or amended elements required after  
33 January 1, 2002, be adopted concurrent with the scheduled update  
34 provided in RCW 36.70A.130. Requirements to incorporate any such new  
35 or amended elements shall be null and void until funds sufficient to  
36 cover applicable local government costs are appropriated and  
37 distributed by the state at least two years before local government  
38 must update comprehensive plans as required in RCW 36.70A.130.

1       **Sec. 5.** RCW 36.22.179 and 2014 c 200 s 1 are each amended to  
2 read as follows:

3       (1) In addition to the surcharge authorized in RCW 36.22.178, and  
4 except as provided in subsection (2) of this section, an additional  
5 surcharge of ten dollars shall be charged by the county auditor for  
6 each document recorded, which will be in addition to any other charge  
7 allowed by law. From September 1, 2012, through June 30, (~~2019~~)  
8 2023, the surcharge shall be forty dollars. The funds collected  
9 pursuant to this section are to be distributed and used as follows:

10       (a) The auditor shall retain two percent for collection of the  
11 fee, and of the remainder shall remit sixty percent to the county to  
12 be deposited into a fund that must be used by the county and its  
13 cities and towns to accomplish the purposes of chapter 484, Laws of  
14 2005, six percent of which may be used by the county for the  
15 collection and local distribution of these funds and administrative  
16 costs related to its homeless housing plan, and the remainder for  
17 programs which directly accomplish the goals of the county's local  
18 homeless housing plan, except that for each city in the county which  
19 elects as authorized in RCW 43.185C.080 to operate its own local  
20 homeless housing program, a percentage of the surcharge assessed  
21 under this section equal to the percentage of the city's local  
22 portion of the real estate excise tax collected by the county shall  
23 be transmitted at least quarterly to the city treasurer, without any  
24 deduction for county administrative costs, for use by the city for  
25 program costs which directly contribute to the goals of the city's  
26 local homeless housing plan; of the funds received by the city, it  
27 may use six percent for administrative costs for its homeless housing  
28 program.

29       (b) The auditor shall remit the remaining funds to the state  
30 treasurer for deposit in the home security fund account. The  
31 department may use twelve and one-half percent of this amount for  
32 administration of the program established in RCW 43.185C.020,  
33 including the costs of creating the statewide homeless housing  
34 strategic plan, measuring performance, providing technical assistance  
35 to local governments, and managing the homeless housing grant  
36 program. Of the remaining eighty-seven and one-half percent, at least  
37 forty-five percent must be set aside for the use of private rental  
38 housing payments, and the remainder is to be used by the department  
39 to:



1 (i) Provide housing and shelter for homeless people including,  
2 but not limited to: Grants to operate, repair, and staff shelters;  
3 grants to operate transitional housing; partial payments for rental  
4 assistance; consolidated emergency assistance; overnight youth  
5 shelters; grants and vouchers designated for victims of human  
6 trafficking and their families; and emergency shelter assistance; and

7 (ii) Fund the homeless housing grant program.

8 (2) The surcharge imposed in this section does not apply to (a)  
9 assignments or substitutions of previously recorded deeds of trust,  
10 (b) documents recording a birth, marriage, divorce, or death, (c) any  
11 recorded documents otherwise exempted from a recording fee or  
12 additional surcharges under state law, (d) marriage licenses issued  
13 by the county auditor, ~~((e))~~ (e) documents recording a state,  
14 county, or city lien or satisfaction of lien, or (f) documents  
15 recording a water-sewer district lien or satisfaction of a lien for  
16 delinquent utility payments.

17 **Sec. 6.** RCW 82.46.037 and 2016 c 138 s 4 are each amended to  
18 read as follows:

19 (1) A city or county that meets the requirements of subsection  
20 (2) of this section may use the greater of one hundred thousand  
21 dollars or twenty-five percent of available funds, but not to exceed  
22 one million dollars per year, from revenues collected under RCW  
23 82.46.035 for:

24 (a) The maintenance of capital projects, as defined in RCW  
25 82.46.035(5); ~~((e))~~

26 (b) From July 1, 2017, until June 30, 2019, the acquisition,  
27 construction, improvement, or rehabilitation of facilities to provide  
28 housing for the homeless; or

29 (c) The planning, acquisition, construction, reconstruction,  
30 repair, replacement, rehabilitation, improvement, or maintenance of  
31 capital projects as defined in RCW 82.46.010(6)(b) that are not also  
32 included within the definition of capital projects in RCW  
33 82.46.035(5).

34 (2) A city or county may use revenues pursuant to subsection (1)  
35 of this section if:

36 (a) The city or county prepares a written report demonstrating  
37 that it has or will have adequate funding from all sources of public  
38 funding to pay for all capital projects, as defined in RCW

1 82.46.035(5), identified in its capital facilities plan for the  
2 succeeding two-year period; and

3 (b)(i) The city or county has not enacted, after June 9, 2016,  
4 any requirement on the listing or sale of real property; or any  
5 requirement on landlords, at the time of executing a lease, to  
6 perform or provide physical improvements or modifications to real  
7 property or fixtures, except if necessary to address an immediate  
8 threat to health or safety; ~~((5))~~

9 (ii) Any local requirement adopted by the city or county under  
10 (b)(i) of this subsection is: Specifically authorized by RCW  
11 35.80.030, 35A.11.020, chapter 7.48 RCW, or chapter 19.27 RCW;  
12 specifically authorized by other state or federal law; or a seller or  
13 landlord disclosure requirement pursuant to RCW 64.06.080; or

14 (iii) For a city or county using funds under subsection (1)(b) of  
15 this section, the requirements of this subsection apply, except that  
16 the date for such enactment under (b)(i) of this subsection is ninety  
17 days after the effective date of this section.

18 (3) The report prepared under subsection (2)(a) of this section  
19 must: (a) Include information necessary to determine compliance with  
20 the requirements of subsection (2)(a) of this section; (b) identify  
21 how revenues collected under RCW 82.46.035 were used by the city or  
22 county during the prior two-year period; (c) identify how funds  
23 authorized under subsection (1) of this section will be used during  
24 the succeeding two-year period; and (d) identify what percentage of  
25 funding for capital projects within the city or county is  
26 attributable to revenues under RCW 82.46.035 compared to all other  
27 sources of capital project funding. The city or county must prepare  
28 and adopt the report as part of its regular, public budget process.

29 ~~(4) ((The authority to use funds as authorized in this section is~~  
30 ~~in addition to the authority to use funds pursuant to RCW~~  
31 ~~82.46.035(7)), which remains in effect through December 31, 2016.~~

32 ~~(5))~~ For purposes of this section, "maintenance" means the use  
33 of funds for labor and materials that will preserve, prevent the  
34 decline of, or extend the useful life of a capital project.  
35 "Maintenance" does not include labor or material costs for routine  
36 operations of a capital project.

37 **Sec. 7.** RCW 43.21C.440 and 2012 1st sp.s. c 1 s 303 are each  
38 amended to read as follows:

1 (1) For purposes of this chapter, a planned action means one or  
2 more types of development or redevelopment that meet the following  
3 criteria:

4 (a) Are designated as planned actions by an ordinance or  
5 resolution adopted by a county, city, or town planning under RCW  
6 36.70A.040;

7 (b) In conjunction with, or to implement, a comprehensive plan or  
8 subarea plan adopted under chapter 36.70A RCW, or a fully contained  
9 community, a master planned resort, a master planned development, or  
10 a phased project, have had the significant impacts adequately  
11 addressed:

12 (i) In an environmental impact statement under the requirements  
13 of this chapter ((in conjunction with, or to implement, a  
14 comprehensive plan or subarea plan adopted under chapter 36.70A RCW,  
15 or a fully contained community, a master planned resort, a master  
16 planned development, or a phased project)); or

17 (ii) In a threshold determination or, where one is appropriate,  
18 in an environmental impact statement under the requirements of this  
19 chapter, if the planned action contains mixed use or residential  
20 development and encompasses an area that:

21 (A) Is within one-half mile of a major transit stop; or

22 (B) Will be within one-half mile of a major transit stop no later  
23 than five years from the date of the designation of the planned  
24 action;

25 (c) Have had project level significant impacts adequately  
26 addressed in a threshold determination or, where one is required  
27 under (b) of this subsection or where otherwise appropriate, an  
28 environmental impact statement, unless the impacts are specifically  
29 deferred for consideration at the project level pursuant to  
30 subsection (3)(b) of this section;

31 (d) Are subsequent or implementing projects for the proposals  
32 listed in (b) of this subsection;

33 (e) Are located within an urban growth area designated pursuant  
34 to RCW 36.70A.110;

35 (f) Are not essential public facilities, as defined in RCW  
36 36.70A.200, unless an essential public facility is accessory to or  
37 part of a residential, office, school, commercial, recreational,  
38 service, or industrial development that is designated a planned  
39 action under this subsection; and

1 (g) Are consistent with a comprehensive plan or subarea plan  
2 adopted under chapter 36.70A RCW.

3 (2) A county, city, or town shall define the types of development  
4 included in the planned action and may limit a planned action to:

5 (a) A specific geographic area that is less extensive than the  
6 jurisdictional boundaries of the county, city, or town; or

7 (b) A time period identified in the ordinance or resolution  
8 adopted under this subsection.

9 (3)(a) A county, city, or town shall determine during permit  
10 review whether a proposed project is consistent with a planned action  
11 ordinance adopted by the jurisdiction. To determine project  
12 consistency with a planned action ordinance, a county, city, or town  
13 may utilize a modified checklist pursuant to the rules adopted to  
14 implement RCW 43.21C.110, a form that is designated within the  
15 planned action ordinance, or a form contained in agency rules adopted  
16 pursuant to RCW 43.21C.120.

17 (b) A county, city, or town is not required to make a threshold  
18 determination and may not require additional environmental review,  
19 for a proposal that is determined to be consistent with the  
20 development or redevelopment described in the planned action  
21 ordinance, except for impacts that are specifically deferred to the  
22 project level at the time of the planned action ordinance's adoption.

23 At least one community meeting must be held before the notice is  
24 issued for the planned action ordinance. Notice for the planned  
25 action and notice of the community meeting required by this  
26 subsection (3)(b) must be mailed or otherwise verifiably provided to:

27 (i) All affected federally recognized tribal governments; and (ii)  
28 agencies with jurisdiction over the future development anticipated  
29 for the planned action. The determination of consistency, and the  
30 adequacy of any environmental review that was specifically deferred,  
31 are subject to the type of administrative appeal that the county,  
32 city, or town provides for the proposal itself consistent with RCW  
33 36.70B.060.

34 (4) For a planned action ordinance that encompasses the entire  
35 jurisdictional boundary of a county, city, or town, at least one  
36 community meeting must be held before the notice is issued for the  
37 planned action ordinance. Notice for the planned action ordinance and  
38 notice of the community meeting required by this subsection must be  
39 mailed or otherwise verifiably provided to:

1 (a) All property owners of record within the county, city, or  
2 town;

3 (b) All affected federally recognized tribal governments; and

4 (c) All agencies with jurisdiction over the future development  
5 anticipated for the planned action.

6 (5) For purposes of this section, "major transit stop" means a  
7 commuter rail stop, a stop on a rail or fixed guideway or transitway  
8 system, or a stop on a high capacity transportation service funded or  
9 expanded under chapter 81.104 RCW.

10 NEW SECTION. **Sec. 8.** Section 2 of this act expires January 1,  
11 2030.

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