

**E2SHB 1923** - S COMM AMD

By Committee on Housing Stability & Affordability

**NOT ADOPTED 04/13/2019**

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 36.70A  
4 RCW to read as follows:

5 (1) A city planning pursuant to RCW 36.70A.040 with a population  
6 greater than twenty thousand shall take at least two of the following  
7 actions by December 31, 2022, in order to increase its residential  
8 building capacity:

9 (a) Authorize development of an average of at least fifty  
10 residential units per acre in one or more areas of not fewer than  
11 five hundred acres that include one or more train stations served by  
12 commuter rail or light rail;

13 (b) Authorize development of an average of at least twenty-five  
14 residential units per acre in one or more areas of not fewer than  
15 five hundred acres that include one or more bus stops served by  
16 scheduled bus service of at least four times per hour for twelve or  
17 more hours per day;

18 (c) Authorize at least one duplex, triplex, or courtyard  
19 apartment on each parcel in one or more zoning districts that permit  
20 single-family residences unless a city documents a specific  
21 infrastructure of physical constraint that would make this  
22 requirement unfeasible for a particular parcel;

23 (d) Authorize cluster zoning or lot size averaging in all zoning  
24 districts that permit single-family residences;

25 (e) Require no more than one on-site parking space per two  
26 bedrooms in the portions of multifamily zones that are located within  
27 one-half mile of a fixed guideway transit station;

28 (f) Authorize accessory dwelling units on all lots located in  
29 zoning districts that permit single-family residences, except that a  
30 city choosing this option may restrict the use of such units as  
31 short-term rentals, may impose a minimum lot size requirement of two

1 thousand five hundred square feet, may restrict accessory dwelling  
2 units on lots that do not meet this minimum size requirement, and may  
3 not be required to permit an unattached accessory dwelling unit to be  
4 added to lots smaller than three thousand two hundred square feet;

5 (g) Adopt a planned action pursuant to RCW 43.21C.420;

6 (h) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii),  
7 except that an environmental impact statement pursuant to RCW  
8 43.21C.030 is not required for such an action;

9 (i) Adopt increases in categorical exemptions pursuant to RCW  
10 43.21C.229 for residential or mixed-use development;

11 (j) Adopt a form-based code in one or more zoning districts that  
12 permit residential uses. "Form-based code" means a land development  
13 regulation that uses physical form, rather than separation of use, as  
14 the organizing principle for the code;

15 (k) Authorize a duplex on each corner lot within all zoning  
16 districts that permit single-family residences;

17 (l) Form or join existing subregional partnerships with  
18 neighboring jurisdictions to implement and promote affordable housing  
19 programs; and

20 (m) Authorize at least a twenty percent density bonus for all  
21 residential development projects, both single-family and multifamily,  
22 when at least ten percent of the total units within the project are  
23 provided as affordable housing. In zoning districts that allow  
24 single-family detached housing, the authorization adopted pursuant to  
25 this subsection must allow for the construction of duplexes or  
26 triplexes to fulfill the affordable housing requirement. For all  
27 residential development that qualifies for the twenty percent density  
28 bonus of this subsection, the authorization adopted pursuant to this  
29 subsection must, for the purpose of demonstrating how additional  
30 housing units within a development site may be provided when  
31 affordable housing is provided, authorize modifications to one or  
32 more of the following zoning requirements: Building heights,  
33 structural setbacks, open space, maximum lot and impervious  
34 standards, parking, road widths, landscaping buffers, tree retention,  
35 or other requirements.

36 (2) As an alternative to taking two of the actions provided in  
37 subsection (1) of this section, a city that is subject to subsection  
38 (1) of this section may, for purposes of compliance with subsections  
39 (1) and (8) of this section, adopt a housing action plan as described  
40 in this subsection. The goal of any such housing plan must be to

1 encourage construction of additional affordable and market rate  
2 housing in a greater variety of housing types and at prices that are  
3 accessible to a greater variety of incomes. A housing action plan may  
4 utilize data compiled pursuant to section 3 of this act. The housing  
5 action plan must:

6 (a) Quantify existing and projected housing needs for all income  
7 levels, including extremely low-income households, with documentation  
8 of housing and household characteristics, and cost-burdened  
9 households;

10 (b) Develop strategies to increase the supply of housing, and  
11 variety of housing types, needed to serve the housing needs  
12 identified in (a) of this subsection;

13 (c) Analyze population and employment trends, with documentation  
14 of projections;

15 (d) Consider strategies to minimize displacement of low-income  
16 residents resulting from redevelopment;

17 (e) Review and evaluate the current housing element adopted  
18 pursuant to RCW 36.70A.070, including an evaluation of success in  
19 attaining planned housing types and units, achievement of goals and  
20 policies, and implementation of the schedule of programs and actions;

21 (f) Provide for participation and input from community members,  
22 community groups, local builders, local realtors, nonprofit housing  
23 advocates, and local religious groups; and

24 (g) Include a schedule of programs and actions to implement the  
25 recommendations of the housing action plan.

26 (3) A city may rely on actions that take effect on or after  
27 January 1, 2012, for purposes of compliance with subsection (1) of  
28 this section.

29 (4) A city with a population of twenty thousand or fewer may, but  
30 is not required to, take one or more of the actions specified in  
31 subsection (1) of this section.

32 (5) Amendments to development regulations and other nonproject  
33 actions taken by a city to implement the actions specified in  
34 subsection (1) of this section, with the exception of the action  
35 specified in subsection (1)(g) of this section, are not subject to  
36 administrative or judicial appeal under chapter 43.21C RCW.

37 (6) A city that is subject to the requirements of subsection (1)  
38 of this section shall certify to the department once it has complied  
39 with the requirements of subsection (1) of this section.

1 (7) In meeting the requirements of subsection (1) of this  
2 section, cities are encouraged to utilize strategies that increase  
3 residential building capacity in areas with frequent transit service  
4 and with the transportation and utility infrastructure that supports  
5 the additional residential building capacity.

6 (8) A city that has complied with subsection (1) of this section,  
7 based on actions that take effect between the effective date of this  
8 section and December 31, 2022, is eligible to apply to the department  
9 for a one-time grant of one hundred thousand dollars in order to  
10 support planning and outreach efforts, subject to the availability of  
11 funds appropriated for that purpose.

12 (9) In implementing this act, cities are encouraged to prioritize  
13 the creation of affordable, inclusive neighborhoods and to consider  
14 the risk of residential displacement, particularly in neighborhoods  
15 with communities at high risk of displacement.

16 **Sec. 2.** RCW 36.70A.030 and 2017 3rd sp.s. c 18 s 2 are each  
17 amended to read as follows:

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

20 (1) "Adopt a comprehensive land use plan" means to enact a new  
21 comprehensive land use plan or to update an existing comprehensive  
22 land use plan.

23 (2) "Agricultural land" means land primarily devoted to the  
24 commercial production of horticultural, viticultural, floricultural,  
25 dairy, apiary, vegetable, or animal products or of berries, grain,  
26 hay, straw, turf, seed, Christmas trees not subject to the excise tax  
27 imposed by RCW 84.33.100 through 84.33.140, finfish in upland  
28 hatcheries, or livestock, and that has long-term commercial  
29 significance for agricultural production.

30 (3) "City" means any city or town, including a code city.

31 (4) "Comprehensive land use plan," "comprehensive plan," or  
32 "plan" means a generalized coordinated land use policy statement of  
33 the governing body of a county or city that is adopted pursuant to  
34 this chapter.

35 (5) "Critical areas" include the following areas and ecosystems:  
36 (a) Wetlands; (b) areas with a critical recharging effect on aquifers  
37 used for potable water; (c) fish and wildlife habitat conservation  
38 areas; (d) frequently flooded areas; and (e) geologically hazardous  
39 areas. "Fish and wildlife habitat conservation areas" does not

1 include such artificial features or constructs as irrigation delivery  
2 systems, irrigation infrastructure, irrigation canals, or drainage  
3 ditches that lie within the boundaries of and are maintained by a  
4 port district or an irrigation district or company.

5 (6) "Department" means the department of commerce.

6 (7) "Development regulations" or "regulation" means the controls  
7 placed on development or land use activities by a county or city,  
8 including, but not limited to, zoning ordinances, critical areas  
9 ordinances, shoreline master programs, official controls, planned  
10 unit development ordinances, subdivision ordinances, and binding site  
11 plan ordinances together with any amendments thereto. A development  
12 regulation does not include a decision to approve a project permit  
13 application, as defined in RCW 36.70B.020, even though the decision  
14 may be expressed in a resolution or ordinance of the legislative body  
15 of the county or city.

16 (8) "Forestland" means land primarily devoted to growing trees  
17 for long-term commercial timber production on land that can be  
18 economically and practically managed for such production, including  
19 Christmas trees subject to the excise tax imposed under RCW 84.33.100  
20 through 84.33.140, and that has long-term commercial significance. In  
21 determining whether forestland is primarily devoted to growing trees  
22 for long-term commercial timber production on land that can be  
23 economically and practically managed for such production, the  
24 following factors shall be considered: (a) The proximity of the land  
25 to urban, suburban, and rural settlements; (b) surrounding parcel  
26 size and the compatibility and intensity of adjacent and nearby land  
27 uses; (c) long-term local economic conditions that affect the ability  
28 to manage for timber production; and (d) the availability of public  
29 facilities and services conducive to conversion of forestland to  
30 other uses.

31 (9) "Freight rail dependent uses" means buildings and other  
32 infrastructure that are used in the fabrication, processing, storage,  
33 and transport of goods where the use is dependent on and makes use of  
34 an adjacent short line railroad. Such facilities are both urban and  
35 rural development for purposes of this chapter. "Freight rail  
36 dependent uses" does not include buildings and other infrastructure  
37 that are used in the fabrication, processing, storage, and transport  
38 of coal, liquefied natural gas, or "crude oil" as defined in RCW  
39 90.56.010.

1 (10) "Geologically hazardous areas" means areas that because of  
2 their susceptibility to erosion, sliding, earthquake, or other  
3 geological events, are not suited to the siting of commercial,  
4 residential, or industrial development consistent with public health  
5 or safety concerns.

6 (11) "Long-term commercial significance" includes the growing  
7 capacity, productivity, and soil composition of the land for long-  
8 term commercial production, in consideration with the land's  
9 proximity to population areas, and the possibility of more intense  
10 uses of the land.

11 (12) "Minerals" include gravel, sand, and valuable metallic  
12 substances.

13 (13) "Public facilities" include streets, roads, highways,  
14 sidewalks, street and road lighting systems, traffic signals,  
15 domestic water systems, storm and sanitary sewer systems, parks and  
16 recreational facilities, and schools.

17 (14) "Public services" include fire protection and suppression,  
18 law enforcement, public health, education, recreation, environmental  
19 protection, and other governmental services.

20 (15) "Recreational land" means land so designated under RCW  
21 36.70A.1701 and that, immediately prior to this designation, was  
22 designated as agricultural land of long-term commercial significance  
23 under RCW 36.70A.170. Recreational land must have playing fields and  
24 supporting facilities existing before July 1, 2004, for sports played  
25 on grass playing fields.

26 (16) "Rural character" refers to the patterns of land use and  
27 development established by a county in the rural element of its  
28 comprehensive plan:

29 (a) In which open space, the natural landscape, and vegetation  
30 predominate over the built environment;

31 (b) That foster traditional rural lifestyles, rural-based  
32 economies, and opportunities to both live and work in rural areas;

33 (c) That provide visual landscapes that are traditionally found  
34 in rural areas and communities;

35 (d) That are compatible with the use of the land by wildlife and  
36 for fish and wildlife habitat;

37 (e) That reduce the inappropriate conversion of undeveloped land  
38 into sprawling, low-density development;

39 (f) That generally do not require the extension of urban  
40 governmental services; and

1 (g) That are consistent with the protection of natural surface  
2 water flows and groundwater and surface water recharge and discharge  
3 areas.

4 (17) "Rural development" refers to development outside the urban  
5 growth area and outside agricultural, forest, and mineral resource  
6 lands designated pursuant to RCW 36.70A.170. Rural development can  
7 consist of a variety of uses and residential densities, including  
8 clustered residential development, at levels that are consistent with  
9 the preservation of rural character and the requirements of the rural  
10 element. Rural development does not refer to agriculture or forestry  
11 activities that may be conducted in rural areas.

12 (18) "Rural governmental services" or "rural services" include  
13 those public services and public facilities historically and  
14 typically delivered at an intensity usually found in rural areas, and  
15 may include domestic water systems, fire and police protection  
16 services, transportation and public transit services, and other  
17 public utilities associated with rural development and normally not  
18 associated with urban areas. Rural services do not include storm or  
19 sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

20 (19) "Short line railroad" means those railroad lines designated  
21 class II or class III by the United States surface transportation  
22 board.

23 (20) "Urban governmental services" or "urban services" include  
24 those public services and public facilities at an intensity  
25 historically and typically provided in cities, specifically including  
26 storm and sanitary sewer systems, domestic water systems, street  
27 cleaning services, fire and police protection services, public  
28 transit services, and other public utilities associated with urban  
29 areas and normally not associated with rural areas.

30 (21) "Urban growth" refers to growth that makes intensive use of  
31 land for the location of buildings, structures, and impermeable  
32 surfaces to such a degree as to be incompatible with the primary use  
33 of land for the production of food, other agricultural products, or  
34 fiber, or the extraction of mineral resources, rural uses, rural  
35 development, and natural resource lands designated pursuant to RCW  
36 36.70A.170. A pattern of more intensive rural development, as  
37 provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed  
38 to spread over wide areas, urban growth typically requires urban  
39 governmental services. "Characterized by urban growth" refers to land  
40 having urban growth located on it, or to land located in relationship

1 to an area with urban growth on it as to be appropriate for urban  
2 growth.

3 (22) "Urban growth areas" means those areas designated by a  
4 county pursuant to RCW 36.70A.110.

5 (23) "Wetland" or "wetlands" means areas that are inundated or  
6 saturated by surface water or groundwater at a frequency and duration  
7 sufficient to support, and that under normal circumstances do  
8 support, a prevalence of vegetation typically adapted for life in  
9 saturated soil conditions. Wetlands generally include swamps,  
10 marshes, bogs, and similar areas. Wetlands do not include those  
11 artificial wetlands intentionally created from nonwetland sites,  
12 including, but not limited to, irrigation and drainage ditches,  
13 grass-lined swales, canals, detention facilities, wastewater  
14 treatment facilities, farm ponds, and landscape amenities, or those  
15 wetlands created after July 1, 1990, that were unintentionally  
16 created as a result of the construction of a road, street, or  
17 highway. Wetlands may include those artificial wetlands intentionally  
18 created from nonwetland areas created to mitigate conversion of  
19 wetlands.

20 (24) "Affordable housing" means, unless the context clearly  
21 indicates otherwise, residential housing whose monthly costs,  
22 including utilities other than telephone, do not exceed thirty  
23 percent of the monthly income of a household whose income is:

24 (a) For rental housing, sixty percent of the median household  
25 income adjusted for household size, for the county where the  
26 household is located, as reported by the United States department of  
27 housing and urban development; or

28 (b) For owner-occupied housing, eighty percent of the median  
29 household income adjusted for household size, for the county where  
30 the household is located, as reported by the United States department  
31 of housing and urban development.

32 (25) "Extremely low-income household" means a single person,  
33 family, or unrelated persons living together whose adjusted income is  
34 at or below thirty percent of the median household income adjusted  
35 for household size, for the county where the household is located, as  
36 reported by the United States department of housing and urban  
37 development.

38 (26) "Low-income household" means a single person, family, or  
39 unrelated persons living together whose adjusted income is at or  
40 below eighty percent of the median household income adjusted for



1 household size, for the county where the household is located, as  
2 reported by the United States department of housing and urban  
3 development.

4 (27) "Very low-income household" means a single person, family,  
5 or unrelated persons living together whose adjusted income is at or  
6 below fifty percent of the median household income adjusted for  
7 household size, for the county where the household is located, as  
8 reported by the United States department of housing and urban  
9 development.

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

12 The University of Washington, through the Washington center for  
13 real estate research, shall produce a report every two years that  
14 compiles housing supply and affordability metrics for each city  
15 planning under RCW 36.70A.040 with a population of ten thousand or  
16 more. The report must be a compilation of objective criteria relating  
17 to development regulations, zoning, income, housing and rental  
18 prices, housing affordability programs, and other metrics relevant to  
19 assessing housing supply and affordability for all income segments of  
20 each city subject to the report required by this section. The  
21 Washington center for real estate research shall collaborate with the  
22 Washington housing finance commission and the office of financial  
23 management to develop the metrics compiled in the report. The report  
24 must be submitted, consistent with RCW 43.01.036, to the standing  
25 committees of the legislature with jurisdiction over housing issues  
26 and this chapter by October 15th of each even-numbered year beginning  
27 in 2020.

28 NEW SECTION. Sec. 4. A new section is added to chapter 43.21C  
29 RCW to read as follows:

30 Amendments to development regulations and other nonproject  
31 actions taken by a city to implement section 1(1) of this act, with  
32 the exception of the action specified in section 1(1)(g) of this act,  
33 are not subject to administrative or judicial appeals under this  
34 chapter.

35 NEW SECTION. Sec. 5. A new section is added to chapter 36.70A  
36 RCW to read as follows:

1 In counties and cities planning under RCW 36.70A.040, minimum  
2 residential parking requirements mandated by municipal zoning  
3 ordinances are subject to the following requirements:

4 (1) For housing units that are affordable to very low-income or  
5 extremely low-income individuals and that are located within one-  
6 quarter mile of a transit stop that receives transit service at least  
7 four times per hour for twelve or more hours per day, minimum  
8 residential parking requirements may be no greater than one parking  
9 space per bedroom. A city may require a developer to record a  
10 covenant that prohibits the rental of a unit subject to this parking  
11 restriction for any purpose other than providing for housing for very  
12 low-income or extremely low-income individuals. The covenant must  
13 address price restrictions and household income limits and policies  
14 if the property is converted to a use other than for low-income  
15 housing. A city may establish a requirement for the provision of more  
16 than one parking space per bedroom if the jurisdiction has determined  
17 a particular housing unit to be in an area with a lack of access to  
18 street parking capacity, physical space impediments, or other reasons  
19 supported by evidence that would make on-street parking infeasible  
20 for the unit.

21 (2) For housing units that are specifically for seniors or people  
22 with disabilities, that are located within one-quarter mile of a  
23 transit stop that receives transit service at least four times per  
24 hour for twelve or more hours per day, a city may not impose a  
25 minimum residential parking requirement for the residents of such  
26 housing units, subject to the exceptions provided in this subsection.  
27 A city may establish parking requirements for staff and visitors of  
28 such housing units. A city may establish a requirement for the  
29 provision of one or more parking space per bedroom if the  
30 jurisdiction has determined a particular housing unit to be in an  
31 area with a lack of access to street parking capacity, physical space  
32 impediments, or other reasons supported by evidence that would make  
33 on-street parking infeasible for the unit. A city may require a  
34 developer to record a covenant that prohibits the rental of a unit  
35 subject to this parking restriction for any purpose other than  
36 providing for housing for seniors or people with disabilities.

37 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.21C  
38 RCW to read as follows:

1 (1) A project action evaluated under this chapter by a city,  
2 town, or county planning under RCW 36.70A.040 is exempt from appeals  
3 under this chapter on the basis of the evaluation of or impacts to  
4 transportation elements of the environment, so long as the project  
5 does not present significant adverse impacts to the state-owned  
6 transportation system as determined by the department of  
7 transportation and the project is:

8 (a) (i) Consistent with a locally adopted transportation plan; or

9 (ii) Consistent with the transportation element of a  
10 comprehensive plan; and

11 (b) (i) A project for which traffic or parking impact fees are  
12 imposed pursuant to RCW 82.02.050 through 82.02.090; or

13 (ii) A project for which traffic or parking impacts are expressly  
14 mitigated by an ordinance, or ordinances, of general application  
15 adopted by the city, town, or county.

16 (2) For purposes of this section, "impacts to transportation  
17 elements of the environment" include impacts to transportation  
18 systems; vehicular traffic; waterborne, rail, and air traffic;  
19 parking; movement or circulation of people or goods; and traffic  
20 hazards.

21 **Sec. 7.** RCW 43.21C.420 and 2010 c 153 s 2 are each amended to  
22 read as follows:

23 (1) Cities with a population greater than five thousand, in  
24 accordance with their existing comprehensive planning and development  
25 regulation authority under chapter 36.70A RCW, and in accordance with  
26 this section, may adopt optional elements of their comprehensive  
27 plans and optional development regulations that apply within  
28 specified subareas of the cities, that are either:

29 (a) Areas designated as mixed-use or urban centers in a land use  
30 or transportation plan adopted by a regional transportation planning  
31 organization; or

32 (b) Areas within one-half mile of a major transit stop that are  
33 zoned to have an average minimum density of fifteen dwelling units or  
34 more per gross acre.

35 (2) Cities located on the east side of the Cascade mountains and  
36 located in a county with a population of two hundred thirty thousand  
37 or less, in accordance with their existing comprehensive planning and  
38 development regulation authority under chapter 36.70A RCW, and in  
39 accordance with this section, may adopt optional elements of their

1 comprehensive plans and optional development regulations that apply  
2 within the mixed-use or urban centers. The optional elements of their  
3 comprehensive plans and optional development regulations must enhance  
4 pedestrian, bicycle, transit, or other nonvehicular transportation  
5 methods.

6 (3) A major transit stop is defined as:

7 (a) A stop on a high capacity transportation service funded or  
8 expanded under the provisions of chapter 81.104 RCW;

9 (b) Commuter rail stops;

10 (c) Stops on rail or fixed guideway systems, including  
11 transitways;

12 (d) Stops on bus rapid transit routes or routes that run on high  
13 occupancy vehicle lanes; or

14 (e) Stops for a bus or other transit mode providing fixed route  
15 service at intervals of at least thirty minutes during the peak hours  
16 of operation.

17 (4) (a) A city that elects to adopt such an optional comprehensive  
18 plan element and optional development regulations shall prepare a  
19 nonproject environmental impact statement, pursuant to RCW  
20 43.21C.030, assessing and disclosing the probable significant adverse  
21 environmental impacts of the optional comprehensive plan element and  
22 development regulations and of future development that is consistent  
23 with the plan and regulations.

24 (b) At least one community meeting must be held on the proposed  
25 subarea plan before the scoping notice for such a nonproject  
26 environmental impact statement is issued. Notice of scoping for such  
27 a nonproject environmental impact statement and notice of the  
28 community meeting required by this section must be mailed to all  
29 property owners of record within the subarea to be studied, to all  
30 property owners within one hundred fifty feet of the boundaries of  
31 such a subarea, to all affected federally recognized tribal  
32 governments whose ceded area is within one-half mile of the  
33 boundaries of the subarea, and to agencies with jurisdiction over the  
34 future development anticipated within the subarea.

35 ~~(c) ((In cities with over five hundred thousand residents, notice~~  
36 ~~of scoping for such a nonproject environmental impact statement and~~  
37 ~~notice of the community meeting required by this section must be~~  
38 ~~mailed to all small businesses as defined in RCW 19.85.020, and to~~  
39 ~~all community preservation and development authorities established~~  
40 ~~under chapter 43.167 RCW, located within the subarea to be studied or~~

1 ~~within one hundred fifty feet of the boundaries of such subarea. The~~  
2 ~~process for community involvement must have the goal of fair~~  
3 ~~treatment and meaningful involvement of all people with respect to~~  
4 ~~the development and implementation of the subarea planning process.~~

5 ~~(d))~~ The notice of the community meeting must include general  
6 illustrations and descriptions of buildings generally representative  
7 of the maximum building envelope that will be allowed under the  
8 proposed plan and indicate that future appeals of proposed  
9 developments that are consistent with the plan will be limited.  
10 Notice of the community meeting must include signs located on major  
11 travel routes in the subarea. If the building envelope increases  
12 during the process, another notice complying with the requirements of  
13 this section must be issued before the next public involvement  
14 opportunity.

15 ~~((e))~~ (d) Any person that has standing to appeal the adoption  
16 of this subarea plan or the implementing regulations under RCW  
17 36.70A.280 has standing to bring an appeal of the nonproject  
18 environmental impact statement required by this subsection.

19 ~~((f) Cities with over five hundred thousand residents shall~~  
20 ~~prepare a study that accompanies or is appended to the nonproject~~  
21 ~~environmental impact statement, but must not be part of that~~  
22 ~~statement, that analyzes the extent to which the proposed subarea~~  
23 ~~plan may result in the displacement or fragmentation of existing~~  
24 ~~businesses, existing residents, including people living with poverty,~~  
25 ~~families with children, and intergenerational households, or cultural~~  
26 ~~groups within the proposed subarea plan. The city shall also discuss~~  
27 ~~the results of the analysis at the community meeting.~~

28 ~~(g))~~ (e) As an incentive for development authorized under this  
29 section, a city shall consider establishing a transfer of development  
30 rights program in consultation with the county where the city is  
31 located, that conserves county-designated agricultural and forestland  
32 of long-term commercial significance. If the city decides not to  
33 establish a transfer of development rights program, the city must  
34 state in the record the reasons for not adopting the program. The  
35 city's decision not to establish a transfer of development rights  
36 program is not subject to appeal. Nothing in this subsection (4)  
37 ~~((g))~~ (e) may be used as a basis to challenge the optional  
38 comprehensive plan or subarea plan policies authorized under this  
39 section.

1 (5) (a) Until July 1, ((2018)) 2029, a proposed development that  
2 meets the criteria of (b) of this subsection may not be challenged in  
3 administrative or judicial appeals for noncompliance with this  
4 chapter as long as a complete application for such a development that  
5 vests the application or would later lead to vested status under city  
6 or state law is submitted to the city within a time frame established  
7 by the city, but not to exceed the following time frames:

8 (i) Nineteen years from the date of issuance of the final  
9 environmental impact statement, for projects that are consistent with  
10 an optional element adopted by a city as of the effective date of  
11 this section; or

12 (ii) Ten years from the date of issuance of the final  
13 environmental impact statement, for projects that are consistent with  
14 an optional element adopted by a city after the effective date of  
15 this section.

16 (b) A proposed development may not be challenged, consistent with  
17 the timelines established in (a) of this subsection, so long as the  
18 development:

19 (i) Is consistent with the optional comprehensive plan or subarea  
20 plan policies and development regulations adopted under subsection  
21 (1) or (2) of this section;

22 (ii) Sets aside or requires the occupancy of at least ten percent  
23 of the dwelling units, or a greater percentage as determined by city  
24 development regulations, within the development for low-income  
25 households at a sale price or rental amount that is considered  
26 affordable by a city's housing programs. This subsection (5) (b) (ii)  
27 applies only to projects that are consistent with an optional element  
28 adopted by a city pursuant to this section after the effective date  
29 of this section; and ((that))

30 (iii) Is environmentally reviewed under subsection (4) of this  
31 section ((may not be challenged in administrative or judicial appeals  
32 for noncompliance with this chapter as long as a complete application  
33 for such a development that vests the application or would later lead  
34 to vested status under city or state law is submitted to the city  
35 within a time frame established by the city, but not to exceed ten  
36 years from the date of issuance of the final environmental impact  
37 statement)).

38 ((b)) (c) After July 1, ((2018)) 2029, the immunity from  
39 appeals under this chapter of any application that vests or will vest  
40 under this subsection or the ability to vest under this subsection is

1 still valid, provided that the final subarea environmental impact  
2 statement is issued by July 1, ~~((2018))~~ 2029. After July 1, ~~((2018))~~  
3 2029, a city may continue to collect reimbursement fees under  
4 subsection (6) of this section for the proportionate share of a  
5 subarea environmental impact statement issued prior to July 1,  
6 ~~((2018))~~ 2029.

7 (6) It is recognized that a city that prepares a nonproject  
8 environmental impact statement under subsection (4) of this section  
9 must endure a substantial financial burden. A city may recover or  
10 apply for a grant or loan to prospectively cover its reasonable  
11 expenses of preparation of a nonproject environmental impact  
12 statement prepared under subsection (4) of this section through  
13 access to financial assistance under RCW 36.70A.490 or funding from  
14 private sources. In addition, a city is authorized to recover a  
15 portion of its reasonable expenses of preparation of such a  
16 nonproject environmental impact statement by the assessment of  
17 reasonable and proportionate fees upon subsequent development that is  
18 consistent with the plan and development regulations adopted under  
19 subsection (5) of this section, as long as the development makes use  
20 of and benefits ~~((from))~~ from, as described in subsection (5) of  
21 this section, ~~((from))~~ the nonproject environmental impact statement  
22 prepared by the city. Any assessment fees collected from subsequent  
23 development may be used to reimburse funding received from private  
24 sources. In order to collect such fees, the city must enact an  
25 ordinance that sets forth objective standards for determining how the  
26 fees to be imposed upon each development will be proportionate to the  
27 impacts of each development and to the benefits accruing to each  
28 development from the nonproject environmental impact statement. Any  
29 disagreement about the reasonableness or amount of the fees imposed  
30 upon a development may not be the basis for delay in issuance of a  
31 project permit for that development. The fee assessed by the city may  
32 be paid with the written stipulation "paid under protest" and if the  
33 city provides for an administrative appeal of its decision on the  
34 project for which the fees are imposed, any dispute about the amount  
35 of the fees must be resolved in the same administrative appeal  
36 process.

37 (7) If a proposed development is inconsistent with the optional  
38 comprehensive plan or subarea plan policies and development  
39 regulations adopted under subsection (1) of this section, the city

1 shall require additional environmental review in accordance with this  
2 chapter.

3 **Sec. 8.** RCW 36.70A.490 and 2012 1st sp.s. c 1 s 309 are each  
4 amended to read as follows:

5 The growth management planning and environmental review fund is  
6 hereby established in the state treasury. Moneys may be placed in the  
7 fund from the proceeds of bond sales, tax revenues, budget transfers,  
8 federal appropriations, gifts, or any other lawful source. Moneys in  
9 the fund may be spent only after appropriation. Moneys in the fund  
10 shall be used to make grants or loans to local governments for the  
11 purposes set forth in RCW 43.21C.240, 43.21C.031, (~~(e)~~) 36.70A.500,  
12 section 1 of this act, and to cover costs associated with the  
13 adoption of optional elements of comprehensive plans consistent with  
14 RCW 43.21C.420. Any payment of either principal or interest, or both,  
15 derived from loans made from this fund must be deposited into the  
16 fund.

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 35.21  
18 RCW to read as follows:

19 A city may not prohibit permanent supportive housing in areas  
20 where multifamily housing is permitted.

21 NEW SECTION. **Sec. 10.** A new section is added to chapter 35A.21  
22 RCW to read as follows:

23 A code city may not prohibit permanent supportive housing in  
24 areas where multifamily housing is permitted.

25 **Sec. 11.** RCW 82.02.060 and 2012 c 200 s 1 are each amended to  
26 read as follows:

27 The local ordinance by which impact fees are imposed:

28 (1) Shall include a schedule of impact fees which shall be  
29 adopted for each type of development activity that is subject to  
30 impact fees, specifying the amount of the impact fee to be imposed  
31 for each type of system improvement. The schedule shall be based upon  
32 a formula or other method of calculating such impact fees. In  
33 determining proportionate share, the formula or other method of  
34 calculating impact fees shall incorporate, among other things, the  
35 following:



1 (a) The cost of public facilities necessitated by new  
2 development;

3 (b) An adjustment to the cost of the public facilities for past  
4 or future payments made or reasonably anticipated to be made by new  
5 development to pay for particular system improvements in the form of  
6 user fees, debt service payments, taxes, or other payments earmarked  
7 for or proratable to the particular system improvement;

8 (c) The availability of other means of funding public facility  
9 improvements;

10 (d) The cost of existing public facilities improvements; and

11 (e) The methods by which public facilities improvements were  
12 financed;

13 (2) May provide an exemption for low-income housing, and other  
14 development activities with broad public purposes, from these impact  
15 fees, provided that the impact fees for such development activity  
16 shall be paid from public funds other than impact fee accounts;

17 (3) May provide an exemption from impact fees for low-income  
18 housing. Local governments that grant exemptions for low-income  
19 housing under this subsection (3) may either: Grant a partial  
20 exemption of not more than eighty percent of impact fees, in which  
21 case there is no explicit requirement to pay the exempted portion of  
22 the fee from public funds other than impact fee accounts; or provide  
23 a full waiver, in which case the remaining percentage of the exempted  
24 fee must be paid from public funds other than impact fee accounts. An  
25 exemption for low-income housing granted under subsection (2) of this  
26 section or this subsection (3) must be conditioned upon requiring the  
27 developer to record a covenant that, except as provided otherwise by  
28 this subsection, prohibits using the property for any purpose other  
29 than for low-income housing. At a minimum, the covenant must address  
30 price restrictions and household income limits for the low-income  
31 housing, and that if the property is converted to a use other than  
32 for low-income housing, the property owner must pay the applicable  
33 impact fees in effect at the time of conversion. Covenants required  
34 by this subsection must be recorded with the applicable county  
35 auditor or recording officer. A local government granting an  
36 exemption under subsection (2) of this section or this subsection (3)  
37 for low-income housing may not collect revenue lost through granting  
38 an exemption by increasing impact fees unrelated to the exemption. A  
39 school district who receives school impact fees must approve any

1 exemption under subsection (2) of this section or this subsection  
2 (3);

3 (4) May not charge a higher per unit fee for multifamily  
4 residential construction than for single-family residential  
5 construction;

6 (5) Shall provide a credit for the value of any dedication of  
7 land for, improvement to, or new construction of any system  
8 improvements provided by the developer, to facilities that are  
9 identified in the capital facilities plan and that are required by  
10 the county, city, or town as a condition of approving the development  
11 activity;

12 (~~(5)~~) (6) Shall allow the county, city, or town imposing the  
13 impact fees to adjust the standard impact fee at the time the fee is  
14 imposed to consider unusual circumstances in specific cases to ensure  
15 that impact fees are imposed fairly;

16 (~~(6)~~) (7) Shall include a provision for calculating the amount  
17 of the fee to be imposed on a particular development that permits  
18 consideration of studies and data submitted by the developer to  
19 adjust the amount of the fee;

20 (~~(7)~~) (8) Shall establish one or more reasonable service areas  
21 within which it shall calculate and impose impact fees for various  
22 land use categories per unit of development; (~~and~~

23 ~~(8)~~) (9) May provide for the imposition of an impact fee for  
24 system improvement costs previously incurred by a county, city, or  
25 town to the extent that new growth and development will be served by  
26 the previously constructed improvements provided such fee shall not  
27 be imposed to make up for any system improvement deficiencies; and

28 (10) May not impose impact fees that cumulatively amount to more  
29 than fifty thousand dollars for any single-family residential unit.

30 For purposes of this section, "low-income housing" means housing  
31 with a monthly housing expense, that is no greater than thirty  
32 percent of eighty percent of the median (~~family~~) household income  
33 adjusted for (~~family~~) household size, for the county where the  
34 project is located, as reported by the United States department of  
35 housing and urban development.

36 NEW SECTION. Sec. 12. If specific funding for the purposes of  
37 section 1 of this act, referencing section 1 of this act by bill or  
38 chapter number and section number, and amounting to not less than one  
39 hundred thousand dollars per city subject to section 1 of this act,

1 is not provided by June 30, 2019, in the omnibus appropriations act,  
2 section 1 of this act is null and void."

**E2SHB 1923** - S COMM AMD

By Committee on Housing Stability & Affordability

**NOT ADOPTED 04/13/2019**

3 On page 1, line 2 of the title, after "capacity;" strike the  
4 remainder of the title and insert "amending RCW 36.70A.030,  
5 43.21C.420, 36.70A.490, and 82.02.060; adding new sections to chapter  
6 36.70A RCW; adding new sections to chapter 43.21C RCW; adding a new  
7 section to chapter 35.21 RCW; adding a new section to chapter 35A.21  
8 RCW; and creating a new section."

EFFECT: (1) Requires, rather than encourages, cities over 20,000 in population to select at least two or more actions to increase residential density by December 31, 2022.

(2) Adds forming or joining existing subregional partnerships with neighboring jurisdictions to implement and promote affordable housing programs as an action item a city may select to increase residential density.

(3) Adds a 20 percent density bonus for all residential development projects when at least 10 percent of the total units within the project are provided as affordable housing as an action item a city may select to increase residential density.

(4) Encourages cities under 20,000 in population to take one or more action items to increase residential density.

(5) Amendments to development regulations and other nonproject actions taken by a city to add residential density requirements are exempt from appeals under SEPA, rather than categorically exempt from SEPA.

(6) Directs the Center for Real Estate Research at the University of Washington, in collaboration with the Housing Finance Commission and the Office of Financial Management, to produce a report every two years compiling housing supply and affordability metrics for each city planning under the GMA.

(7) A city that has complied with requirements to take at least two actions to increase residential density is eligible to apply to the Department of Commerce for a one-time grant of \$100,000.

(8) Encourages cities to prioritize creating affordable, inclusive neighborhoods and consider displacement.

(9) Modifies parking requirements for certain affordable housing units that are affordable to very low-income or extremely low-income individuals near transit locations.

(10) Removes the requirement for cities over 500,000 regarding notice of scoping for a nonproject EIS related to a subarea plan.

(11) Removes the requirement for cities over 500,000 to analyze whether an adopted subarea plan will result in displacement or fragmentation of certain populations.

(12) A city may not prohibit permanent supportive housing in areas where multifamily housing are permitted.

(13) Adds a null and void clause if specific funding is not provided in the budget, including an amount not less than \$100,000 per city subject to residential density requirements.

(14) Authorizes a city to adopt a housing action plan to encourage additional affordable and market rate housing as an alternative to adopting two action items to increase residential building capacity.

(15) Limits impact fees to less than \$50,000 for any single-family residential unit.

--- END ---