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## Environment & Energy Committee

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### HB 2343

**Brief Description:** Concerning urban housing supply.

**Sponsors:** Representatives Fitzgibbon, Frame, Macri, Doglio, Tharinger and Pollet.

#### Brief Summary of Bill

- Modifies the list of planning actions that certain cities are encouraged to take in order to increase residential building capacity.
- Changes the date by which certain planning actions must be taken in order for those actions to be exempt from administrative or judicial appeal under the Growth Management Act and the State Environmental Policy Act (SEPA), from April 1, 2021, to April 1, 2023.
- Changes the frequency of transit service that triggers a cap on minimum residential parking requirements for certain affordable housing units, from four times per hour to two times per hour.
- Exempts certain project actions from appeal under SEPA on the basis of impacts to the aesthetics element of the environment if they have undergone the design review process at the appropriate local government level.
- Modifies the definition of permanent supportive housing.
- Directs the Department of Ecology to initiate the rule-making process to remove parking as an element of the environment and as a component of the environmental checklist.

**Hearing Date:** 1/16/20

**Staff:** Robert Hatfield (786-7117).

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

## **Background:**

### Growth Management Act.

The Growth Management Act (GMA) is the comprehensive land-use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land-use designation and environmental protection requirements for all Washington counties and cities. The GMA also establishes a significantly wider array of planning duties for 28 counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA. These jurisdictions are sometimes said to be "fully planning" under the GMA.

The GMA directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations, and both the plans and the local regulations are subject to review and revision requirements prescribed in the GMA. In developing their comprehensive plans, counties and cities must consider various goals set forth in statute.

Legislation enacted within the GMA in 2019 encouraged fully planning cities to take an array of specified planning actions in order to increase residential building capacity. In general, ordinances and other nonproject actions taken to implement these specified actions, if adopted by April 1, 2021, are not subject to administrative or judicial appeal under either the GMA or the State Environmental Policy Act (SEPA).

### Limits on Minimum Residential Parking Requirements.

For affordable housing units that are affordable to very low-income or extremely low-income individuals and are located within 0.25 miles of a transit stop that receives transit service at least four times per hour for 12 or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or 0.75 spaces per unit.

### State Environmental Policy Act.

The State Environmental Policy Act establishes a review process for state and local governments to identify environmental impacts that may result from governmental decisions, such as the issuance of permits or the adoption of land-use plans. The SEPA environmental review process involves a project proponent or the lead agency completing an environmental checklist to identify and evaluate probable environmental impacts. Government decisions that the SEPA checklist process identifies as having significant adverse environmental impacts must then undergo a more comprehensive environmental analysis in the form of an Environmental Impact Statement.

### SEPA - Exemption from Appeal Based on the Transportation Element of the Environment.

A project action pertaining to residential, multifamily, or mixed-use development evaluated under SEPA by a city, county, or town planning fully under the GMA is exempt from appeals under SEPA on the basis of the evaluation of or impacts to transportation elements of the environment, so long as the project does not present significant adverse impacts to state highways as determined by the Department of Transportation and the project meets certain additional criteria.

### SEPA - Parking as an Element of the Environment.

Under SEPA, the Department of Ecology (Ecology) is directed to adopt a list of elements of the environment that must be considered in an analysis under SEPA, as well as an environmental checklist that will be used by lead agencies in carrying out their environmental review. Ecology has adopted rules that specify that parking is an element of the environment, as well as a component of the environmental checklist that government agencies use to help determine whether a project will have significant environmental impacts.

### **Summary of Bill:**

#### Planning Actions to Increase Residential Building Capacity.

The following changes are made to the list of actions that cities planning fully under the Growth Management Act (GMA) are encouraged to take in order to increase residential building capacity:

- The existing action of authorizing residential development of at least 25 units per acre in certain circumstances is changed, from a minimum zoning district size of 500 acres in cities with a population greater than 40,000 and 250 acres in cities with a population of fewer than 40,000, to a minimum zoning district size of 200 acres in cities with a population greater than 40,000 and 100 acres in cities with a population of fewer than 40,000.
- A new action is added to authorize a duplex, triplex, or courtyard apartment on one or more parcels for which they are not currently authorized.
- A new action is added to authorize one or more zoning districts of medium density in which individual lots may be no larger than 3,500 square feet and single-family residences may be no larger than 1,200 square feet.
- The existing action related to authorizing a minimum net density of six dwelling units per acre in all residential zones is modified to specify that the calculation of net density does not include the square footage of certain areas that are otherwise prohibited from development.
- The single action related to authorizing accessory dwelling units (ADUs) is changed to four separate, more specific actions:
  - authorize ADUs in one or more zoning districts in which they are currently prohibited;
  - remove minimum parking requirements related to ADUs;
  - remove owner occupancy requirements related to ADUs; and
  - adopt new square footage requirements related to ADUs that are less restrictive than existing square footage requirements related to ADUs.

The minimum population requirement, related to eligibility for planning grants from the Department of Commerce in connection with taking certain actions to increase residential building capacity, is eliminated.

The date is changed by which cities must take certain planning actions to increase residential building capacity in order for those actions to be exempt from administrative or judicial appeal under the GMA and the State Environmental Policy Act (SEPA), from April 1, 2021, to April 1, 2023.

Limits on Minimum Residential Parking Requirements.

The frequency of transit service that triggers a cap on minimum residential parking requirements for certain affordable housing units is changed, from four times per hour to two times per hour.

State Environmental Policy Act - Exemption from Appeal for Certain Project Actions.

A project action related to a residential, multifamily, or mixed-use development is exempt from appeal under SEPA on the basis of impacts to the aesthetics element of the environment if it has undergone the design review process at the appropriate local government level. "Design review" is defined to mean a formally adopted local government practice of examining projects for their aesthetic, architectural, or urban design quality and compatibility with nearby development.

Definition of Permanent Supportive Housing.

An element of the definition of permanent supportive housing is modified, from housing that connects residents with "community-based health care, treatment, and employment services," to housing that connects residents with "community-based health care, treatment, or employment services."

SEPA - Rule-making Related to Parking.

No later than October 1, 2020, the Department of Ecology is directed to initiate the rule-making process to remove parking as an element of the environment within WAC 197-11-444 and as a component of the environmental checklist within WAC 197-11-960.

**Appropriation:** None.

**Fiscal Note:** Requested on January 13, 2020.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.