

SSB 5818 - H AMD 1284

By Representative Fitzgibbon

ADOPTED 03/04/2022

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

3 **"Sec. 1.** RCW 36.70A.600 and 2020 c 173 s 1 are each amended to
4 read as follows:

5 (1) A city planning pursuant to RCW 36.70A.040 is encouraged to
6 take the following actions in order to increase its residential
7 building capacity:

8 (a) Authorize development in one or more areas of not fewer than
9 five hundred acres that include at least one train station served by
10 commuter rail or light rail with an average of at least fifty
11 residential units per acre that require no more than an average of
12 one on-site parking space per two bedrooms in the portions of
13 multifamily zones that are located within the areas;

14 (b) Authorize development in one or more areas of not fewer than
15 two hundred acres in cities with a population greater than forty
16 thousand or not fewer than one hundred acres in cities with a
17 population less than forty thousand that include at least one bus
18 stop served by scheduled bus service of at least four times per hour
19 for twelve or more hours per day with an average of at least twenty-
20 five residential units per acre that require no more than an average
21 of one on-site parking space per two bedrooms in portions of the
22 multifamily zones that are located within the areas;

23 (c) Authorize at least one duplex, triplex, quadplex, sixplex,
24 stacked flat, townhouse, or courtyard apartment on each parcel in one
25 or more zoning districts that permit single-family residences unless
26 a city documents a specific infrastructure of physical constraint
27 that would make this requirement unfeasible for a particular parcel;

28 (d) Authorize a duplex, triplex, quadplex, sixplex, stacked flat,
29 townhouse, or courtyard apartment on one or more parcels for which
30 they are not currently authorized;

31 (e) Authorize cluster zoning or lot size averaging in all zoning
32 districts that permit single-family residences;

- 1 (f) Adopt a subarea plan pursuant to RCW 43.21C.420;
- 2 (g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii),
3 except that an environmental impact statement pursuant to RCW
4 43.21C.030 is not required for such an action;
- 5 (h) Adopt increases in categorical exemptions pursuant to RCW
6 43.21C.229 for residential or mixed-use development;
- 7 (i) Adopt a form-based code in one or more zoning districts that
8 permit residential uses. "Form-based code" means a land development
9 regulation that uses physical form, rather than separation of use, as
10 the organizing principle for the code;
- 11 (j) Authorize a duplex on each corner lot within all zoning
12 districts that permit single-family residences;
- 13 (k) Allow for the division or redivision of land into the maximum
14 number of lots through the short subdivision process provided in
15 chapter 58.17 RCW;
- 16 (l) Authorize a minimum net density of six dwelling units per
17 acre in all residential zones, where the residential development
18 capacity will increase within the city. For purposes of this
19 subsection, the calculation of net density does not include the
20 square footage of areas that are otherwise prohibited from
21 development, such as critical areas, the area of buffers around
22 critical areas, and the area of roads and similar features;
- 23 (m) Create one or more zoning districts of medium density in
24 which individual lots may be no larger than three thousand five
25 hundred square feet and single-family residences may be no larger
26 than one thousand two hundred square feet;
- 27 (n) Authorize accessory dwelling units in one or more zoning
28 districts in which they are currently prohibited;
- 29 (o) Remove minimum residential parking requirements related to
30 accessory dwelling units;
- 31 (p) Remove owner occupancy requirements related to accessory
32 dwelling units;
- 33 (q) Adopt new square footage requirements related to accessory
34 dwelling units that are less restrictive than existing square footage
35 requirements related to accessory dwelling units;
- 36 (r) Adopt maximum allowable exemption levels in WAC 197-11-800(1)
37 as it existed on June 11, 2020, or such subsequent date as may be
38 provided by the department of ecology by rule, consistent with the
39 purposes of this section;

- 1 (s) Adopt standards for administrative approval of final plats
2 pursuant to RCW 58.17.100;
- 3 (t) Adopt ordinances authorizing administrative review of
4 preliminary plats pursuant to RCW 58.17.095;
- 5 (u) Adopt other permit process improvements where it is
6 demonstrated that the code, development regulation, or ordinance
7 changes will result in a more efficient permit process for customers;
- 8 (v) Update use matrices and allowable use tables that eliminate
9 conditional use permits and administrative conditional use permits
10 for all housing types, including single-family homes, townhomes,
11 multifamily housing, low-income housing, and senior housing, but
12 excluding essential public facilities;
- 13 (w) Allow off-street parking to compensate for lack of on-street
14 parking when private roads are utilized or a parking demand study
15 shows that less parking is required for the project;
- 16 (x) Develop a local program that offers homeowners a combination
17 of financing, design, permitting, or construction support to build
18 accessory dwelling units. A city may condition this program on a
19 requirement to provide the unit for affordable home ownership or rent
20 the accessory dwelling unit for a defined period of time to either
21 tenants in a housing subsidy program as defined in RCW 43.31.605(14)
22 or to tenants whose income is less than eighty percent of the city or
23 county median family income. If the city includes an affordability
24 requirement under the program, it must provide additional incentives,
25 such as:
- 26 (i) Density bonuses;
- 27 (ii) Height and bulk bonuses;
- 28 (iii) Fee waivers or exemptions;
- 29 (iv) Parking reductions; or
- 30 (v) Expedited permitting; and
- 31 (y) Develop a local program that offers homeowners a combination
32 of financing, design, permitting, or construction support to convert
33 a single-family home into a duplex, triplex, or quadplex where those
34 housing types are authorized. A local government may condition this
35 program on a requirement to provide a certain number of units for
36 affordable home ownership or to rent a certain number of the newly
37 created units for a defined period of time to either tenants in a
38 housing subsidy program as defined in RCW 43.31.605(14) or to tenants
39 whose income is less than eighty percent of the city or county median

1 family income. If the city includes an affordability requirement, it
2 must provide additional incentives, such as:

- 3 (i) Density bonuses;
- 4 (ii) Height and bulk bonuses;
- 5 (iii) Fee waivers or exemptions;
- 6 (iv) Parking reductions; or
- 7 (v) Expedited permitting.

8 (2) A city planning pursuant to RCW 36.70A.040 may adopt a
9 housing action plan as described in this subsection. The goal of any
10 such housing plan must be to encourage construction of additional
11 affordable and market rate housing in a greater variety of housing
12 types and at prices that are accessible to a greater variety of
13 incomes, including strategies aimed at the for-profit single-family
14 home market. A housing action plan may utilize data compiled pursuant
15 to RCW 36.70A.610. The housing action plan should:

16 (a) Quantify existing and projected housing needs for all income
17 levels, including extremely low-income households, with documentation
18 of housing and household characteristics, and cost-burdened
19 households;

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

23 (c) Analyze population and employment trends, with documentation
24 of projections;

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

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

31 (f) Provide for participation and input from community members,
32 community groups, local builders, local realtors, nonprofit housing
33 advocates, and local religious groups; and

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

36 (3) (~~If adopted by April 1, 2023,~~) The adoption of ordinances,
37 development regulations and amendments to ((development)) such
38 regulations, and other nonproject actions taken by a city to
39 implement the actions specified in subsection (1) of this section,
40 with the exception of the action specified in subsection (1)(f) of

1 this section, are not subject to administrative or judicial appeal
2 under chapter 43.21C RCW.

3 (4) Any action taken by a city prior to April 1, 2023, to amend
4 (~~their~~) its comprehensive plan(~~(7)~~) or adopt or amend ordinances or
5 development regulations, solely to enact provisions under subsection
6 (1) of this section is not subject to legal challenge under this
7 chapter.

8 (5) In taking action under subsection (1) of this section, cities
9 are encouraged to utilize strategies that increase residential
10 building capacity in areas with frequent transit service and with the
11 transportation and utility infrastructure that supports the
12 additional residential building capacity.

13 (6) A city that is planning to take at least two actions under
14 subsection (1) of this section, and that action will occur between
15 July 28, 2019, and April 1, 2021, is eligible to apply to the
16 department for planning grant assistance of up to one hundred
17 thousand dollars, subject to the availability of funds appropriated
18 for that purpose. The department shall develop grant criteria to
19 ensure that grant funds awarded are proportionate to the level of
20 effort proposed by a city, and the potential increase in housing
21 supply or regulatory streamlining that could be achieved. Funding may
22 be provided in advance of, and to support, adoption of policies or
23 ordinances consistent with this section. A city can request, and the
24 department may award, more than one hundred thousand dollars for
25 applications that demonstrate extraordinary potential to increase
26 housing supply or regulatory streamlining.

27 (7) A city seeking to develop a housing action plan under
28 subsection (2) of this section is eligible to apply to the department
29 for up to one hundred thousand dollars.

30 (8) The department shall establish grant award amounts under
31 subsections (6) and (7) of this section based on the expected number
32 of cities that will seek grant assistance, to ensure that all cities
33 can receive some level of grant support. If funding capacity allows,
34 the department may consider accepting and funding applications from
35 cities with a population of less than twenty thousand if the actions
36 proposed in the application will create a significant amount of
37 housing capacity or regulatory streamlining and are consistent with
38 the actions in this section.

39 (9) In implementing chapter 348, Laws of 2019, cities are
40 encouraged to prioritize the creation of affordable, inclusive

1 neighborhoods and to consider the risk of residential displacement,
2 particularly in neighborhoods with communities at high risk of
3 displacement.

4 **Sec. 2.** RCW 36.70A.070 and 2021 c 254 s 2 are each amended to
5 read as follows:

6 The comprehensive plan of a county or city that is required or
7 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,
8 and descriptive text covering objectives, principles, and standards
9 used to develop the comprehensive plan. The plan shall be an
10 internally consistent document and all elements shall be consistent
11 with the future land use map. A comprehensive plan shall be adopted
12 and amended with public participation as provided in RCW 36.70A.140.
13 Each comprehensive plan shall include a plan, scheme, or design for
14 each of the following:

15 (1) A land use element designating the proposed general
16 distribution and general location and extent of the uses of land,
17 where appropriate, for agriculture, timber production, housing,
18 commerce, industry, recreation, open spaces, general aviation
19 airports, public utilities, public facilities, and other land uses.
20 The land use element shall include population densities, building
21 intensities, and estimates of future population growth. The land use
22 element shall provide for protection of the quality and quantity of
23 groundwater used for public water supplies. Wherever possible, the
24 land use element should consider utilizing urban planning approaches
25 that promote physical activity. Where applicable, the land use
26 element shall review drainage, flooding, and stormwater runoff in the
27 area and nearby jurisdictions and provide guidance for corrective
28 actions to mitigate or cleanse those discharges that pollute waters
29 of the state, including Puget Sound or waters entering Puget Sound.

30 (2) A housing element ensuring the vitality and character of
31 established residential neighborhoods that:

32 (a) Includes an inventory and analysis of existing and projected
33 housing needs that identifies the number of housing units necessary
34 to manage projected growth, as provided by the department of
35 commerce, including:

36 (i) Units for moderate, low, very low, and extremely low-income
37 households; and

38 (ii) Emergency housing, emergency shelters, and permanent
39 supportive housing;

1 (b) Includes a statement of goals, policies, objectives, and
2 mandatory provisions for the preservation, improvement, and
3 development of housing, including single-family residences, and
4 within an urban growth area boundary, moderate density housing
5 options including ~~((+,+))~~, but not limited to, duplexes, triplexes,
6 and townhomes;

7 (c) Identifies sufficient capacity of land for housing including,
8 but not limited to, government-assisted housing, housing for
9 moderate, low, very low, and extremely low-income households,
10 manufactured housing, multifamily housing, group homes, foster care
11 facilities, emergency housing, emergency shelters, permanent
12 supportive housing, and within an urban growth area boundary,
13 consideration of duplexes, triplexes, and townhomes;

14 (d) Makes adequate provisions for existing and projected needs of
15 all economic segments of the community, including:

16 (i) Incorporating consideration for low, very low, extremely low,
17 and moderate-income households;

18 (ii) Documenting programs and actions needed to achieve housing
19 availability including gaps in local funding, barriers such as
20 development regulations, and other limitations;

21 (iii) Consideration of housing locations in relation to
22 employment location; and

23 (iv) Consideration of the role of accessory dwelling units in
24 meeting housing needs;

25 (e) Identifies local policies and regulations that result in
26 racially disparate impacts, displacement, and exclusion in housing,
27 including:

28 (i) Zoning that may have a discriminatory effect;

29 (ii) Disinvestment; and

30 (iii) Infrastructure availability;

31 (f) Identifies and implements policies and regulations to address
32 and begin to undo racially disparate impacts, displacement, and
33 exclusion in housing caused by local policies, plans, and actions;

34 (g) Identifies areas that may be at higher risk of displacement
35 from market forces that occur with changes to zoning development
36 regulations and capital investments; and

37 (h) Establishes antidisplacement policies, with consideration
38 given to the preservation of historical and cultural communities as
39 well as investments in low, very low, extremely low, and moderate-
40 income housing; equitable development initiatives; inclusionary

1 zoning; community planning requirements; tenant protections; land
2 disposition policies; and consideration of land that may be used for
3 affordable housing.

4 In counties and cities subject to the review and evaluation
5 requirements of RCW 36.70A.215, any revision to the housing element
6 shall include consideration of prior review and evaluation reports
7 and any reasonable measures identified. The housing element should
8 link jurisdictional goals with overall county goals to ensure that
9 the housing element goals are met.

10 The adoption of ordinances, development regulations and
11 amendments to such regulations, and other nonproject actions taken by
12 a city that is required or chooses to plan under RCW 36.70A.040 that
13 increase housing capacity, increase housing affordability, and
14 mitigate displacement as required under this subsection (2) and that
15 apply outside of critical areas are not subject to administrative or
16 judicial appeal under chapter 43.21C RCW unless the adoption of such
17 ordinances, development regulations and amendments to such
18 regulations, or other nonproject actions has a probable significant
19 adverse impact on fish habitat.

20 (3) A capital facilities plan element consisting of: (a) An
21 inventory of existing capital facilities owned by public entities,
22 showing the locations and capacities of the capital facilities; (b) a
23 forecast of the future needs for such capital facilities; (c) the
24 proposed locations and capacities of expanded or new capital
25 facilities; (d) at least a six-year plan that will finance such
26 capital facilities within projected funding capacities and clearly
27 identifies sources of public money for such purposes; and (e) a
28 requirement to reassess the land use element if probable funding
29 falls short of meeting existing needs and to ensure that the land use
30 element, capital facilities plan element, and financing plan within
31 the capital facilities plan element are coordinated and consistent.
32 Park and recreation facilities shall be included in the capital
33 facilities plan element.

34 (4) A utilities element consisting of the general location,
35 proposed location, and capacity of all existing and proposed
36 utilities, including, but not limited to, electrical lines,
37 telecommunication lines, and natural gas lines.

38 (5) Rural element. Counties shall include a rural element
39 including lands that are not designated for urban growth,

1 agriculture, forest, or mineral resources. The following provisions
2 shall apply to the rural element:

3 (a) Growth management act goals and local circumstances. Because
4 circumstances vary from county to county, in establishing patterns of
5 rural densities and uses, a county may consider local circumstances,
6 but shall develop a written record explaining how the rural element
7 harmonizes the planning goals in RCW 36.70A.020 and meets the
8 requirements of this chapter.

9 (b) Rural development. The rural element shall permit rural
10 development, forestry, and agriculture in rural areas. The rural
11 element shall provide for a variety of rural densities, uses,
12 essential public facilities, and rural governmental services needed
13 to serve the permitted densities and uses. To achieve a variety of
14 rural densities and uses, counties may provide for clustering,
15 density transfer, design guidelines, conservation easements, and
16 other innovative techniques that will accommodate appropriate rural
17 economic advancement, densities, and uses that are not characterized
18 by urban growth and that are consistent with rural character.

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

- 22 (i) Containing or otherwise controlling rural development;
- 23 (ii) Assuring visual compatibility of rural development with the
24 surrounding rural area;
- 25 (iii) Reducing the inappropriate conversion of undeveloped land
26 into sprawling, low-density development in the rural area;
- 27 (iv) Protecting critical areas, as provided in RCW 36.70A.060,
28 and surface water and groundwater resources; and
- 29 (v) Protecting against conflicts with the use of agricultural,
30 forest, and mineral resource lands designated under RCW 36.70A.170.

31 (d) Limited areas of more intensive rural development. Subject to
32 the requirements of this subsection and except as otherwise
33 specifically provided in this subsection (5)(d), the rural element
34 may allow for limited areas of more intensive rural development,
35 including necessary public facilities and public services to serve
36 the limited area as follows:

- 37 (i) Rural development consisting of the infill, development, or
38 redevelopment of existing commercial, industrial, residential, or
39 mixed-use areas, whether characterized as shoreline development,

1 villages, hamlets, rural activity centers, or crossroads
2 developments.

3 (A) A commercial, industrial, residential, shoreline, or mixed-
4 use area are subject to the requirements of (d)(iv) of this
5 subsection, but are not subject to the requirements of (c)(ii) and
6 (iii) of this subsection.

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

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

16 (ii) The intensification of development on lots containing, or
17 new development of, small-scale recreational or tourist uses,
18 including commercial facilities to serve those recreational or
19 tourist uses, that rely on a rural location and setting, but that do
20 not include new residential development. A small-scale recreation or
21 tourist use is not required to be principally designed to serve the
22 existing and projected rural population. Public services and public
23 facilities shall be limited to those necessary to serve the
24 recreation or tourist use and shall be provided in a manner that does
25 not permit low-density sprawl;

26 (iii) The intensification of development on lots containing
27 isolated nonresidential uses or new development of isolated cottage
28 industries and isolated small-scale businesses that are not
29 principally designed to serve the existing and projected rural
30 population and nonresidential uses, but do provide job opportunities
31 for rural residents. Rural counties may allow the expansion of small-
32 scale businesses as long as those small-scale businesses conform with
33 the rural character of the area as defined by the local government
34 according to RCW 36.70A.030(23). Rural counties may also allow new
35 small-scale businesses to utilize a site previously occupied by an
36 existing business as long as the new small-scale business conforms to
37 the rural character of the area as defined by the local government
38 according to RCW 36.70A.030(23). Public services and public
39 facilities shall be limited to those necessary to serve the isolated

1 nonresidential use and shall be provided in a manner that does not
2 permit low-density sprawl;

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

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

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

25 (B) On the date the county adopted a resolution under RCW
26 36.70A.040(2), in a county that is planning under all of the
27 provisions of this chapter under RCW 36.70A.040(2); or

28 (C) On the date the office of financial management certifies the
29 county's population as provided in RCW 36.70A.040(5), in a county
30 that is planning under all of the provisions of this chapter pursuant
31 to RCW 36.70A.040(5).

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

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

38 (a) The transportation element shall include the following
39 subelements:

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

1 (ii) Estimated traffic impacts to state-owned transportation
2 facilities resulting from land use assumptions to assist the
3 department of transportation in monitoring the performance of state
4 facilities, to plan improvements for the facilities, and to assess
5 the impact of land-use decisions on state-owned transportation
6 facilities;

7 (iii) Facilities and services needs, including:

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

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

17 (C) For state-owned transportation facilities, level of service
18 standards for highways, as prescribed in chapters 47.06 and 47.80
19 RCW, to gauge the performance of the system. The purposes of
20 reflecting level of service standards for state highways in the local
21 comprehensive plan are to monitor the performance of the system, to
22 evaluate improvement strategies, and to facilitate coordination
23 between the county's or city's six-year street, road, or transit
24 program and the office of financial management's ten-year investment
25 program. The concurrency requirements of (b) of this subsection do
26 not apply to transportation facilities and services of statewide
27 significance except for counties consisting of islands whose only
28 connection to the mainland are state highways or ferry routes. In
29 these island counties, state highways and ferry route capacity must
30 be a factor in meeting the concurrency requirements in (b) of this
31 subsection;

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

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

38 (F) Identification of state and local system needs to meet
39 current and future demands. Identified needs on state-owned

1 transportation facilities must be consistent with the statewide
2 multimodal transportation plan required under chapter 47.06 RCW;

3 (iv) Finance, including:

4 (A) An analysis of funding capability to judge needs against
5 probable funding resources;

6 (B) A multiyear financing plan based on the needs identified in
7 the comprehensive plan, the appropriate parts of which shall serve as
8 the basis for the six-year street, road, or transit program required
9 by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW
10 35.58.2795 for public transportation systems. The multiyear financing
11 plan should be coordinated with the ten-year investment program
12 developed by the office of financial management as required by RCW
13 47.05.030;

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

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

21 (vi) Demand-management strategies;

22 (vii) Pedestrian and bicycle component to include collaborative
23 efforts to identify and designate planned improvements for pedestrian
24 and bicycle facilities and corridors that address and encourage
25 enhanced community access and promote healthy lifestyles.

26 (b) After adoption of the comprehensive plan by jurisdictions
27 required to plan or who choose to plan under RCW 36.70A.040, local
28 jurisdictions must adopt and enforce ordinances which prohibit
29 development approval if the development causes the level of service
30 on a locally owned transportation facility to decline below the
31 standards adopted in the transportation element of the comprehensive
32 plan, unless transportation improvements or strategies to accommodate
33 the impacts of development are made concurrent with the development.
34 These strategies may include increased public transportation service,
35 ride-sharing programs, demand management, and other transportation
36 systems management strategies. For the purposes of this subsection
37 (6), "concurrent with the development" means that improvements or
38 strategies are in place at the time of development, or that a
39 financial commitment is in place to complete the improvements or
40 strategies within six years. If the collection of impact fees is

1 delayed under RCW 82.02.050(3), the six-year period required by this
2 subsection (6)(b) must begin after full payment of all impact fees is
3 due to the county or city.

4 (c) The transportation element described in this subsection (6),
5 the six-year plans required by RCW 35.77.010 for cities, RCW
6 36.81.121 for counties, and RCW 35.58.2795 for public transportation
7 systems, and the ten-year investment program required by RCW
8 47.05.030 for the state, must be consistent.

9 (7) An economic development element establishing local goals,
10 policies, objectives, and provisions for economic growth and vitality
11 and a high quality of life. A city that has chosen to be a
12 residential community is exempt from the economic development element
13 requirement of this subsection.

14 (8) A park and recreation element that implements, and is
15 consistent with, the capital facilities plan element as it relates to
16 park and recreation facilities. The element shall include: (a)
17 Estimates of park and recreation demand for at least a ten-year
18 period; (b) an evaluation of facilities and service needs; and (c) an
19 evaluation of intergovernmental coordination opportunities to provide
20 regional approaches for meeting park and recreational demand.

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

28 **Sec. 3.** RCW 43.21C.495 and 2020 c 173 s 2 are each amended to
29 read as follows:

30 (~~If adopted by April 1, 2023, amendments to development~~
31 ~~regulations)) Adoption of ordinances, development regulations and
32 amendments to such regulations, and other nonproject actions taken by
33 a city to implement: The actions specified in section 2,
34 chapter . . ., Laws of 2022 (this act) unless the adoption of such
35 ordinances, development regulations and amendments to such
36 regulations, or other nonproject actions has a probable significant
37 adverse impact on fish habitat; and the increased residential
38 building capacity actions identified in RCW 36.70A.600(1) (~~or (4)~~),
39 with the exception of the action specified in RCW 36.70A.600(1)(f),~~

1 are not subject to administrative or judicial appeals under this
2 chapter.

3 **Sec. 4.** RCW 43.21C.501 and 2019 c 348 s 6 are each amended to
4 read as follows:

5 (1) Project actions described in this section that pertain to
6 residential, multifamily, or mixed-use development evaluated under
7 this chapter by a city or town planning under RCW 36.70A.040 are
8 exempt from appeals under this chapter on the basis of the evaluation
9 of or impacts to the following elements of the environment, provided
10 that the appropriate requirements for a particular element of the
11 environment, as set forth in subsections (2) and (3) of this section,
12 are met.

13 (2)(a) Transportation. A project action pertaining to
14 residential, multifamily, or mixed-use development evaluated under
15 this chapter by a city or town planning under RCW 36.70A.040 is
16 exempt from appeals under this chapter on the basis of the evaluation
17 of or impacts to transportation elements of the environment, so long
18 as ~~((the project does not present significant adverse impacts to the~~
19 ~~state-owned transportation system as determined by the department of~~
20 ~~transportation and))~~ the project is:

21 ~~((a)(i))~~ (i)(A) Consistent with a locally adopted
22 transportation plan; or

23 ~~((ii))~~ (B) Consistent with the transportation element of a
24 comprehensive plan; and

25 ~~((b)(i))~~ (ii)(A) A project for which traffic or parking impact
26 fees are imposed pursuant to RCW 82.02.050 through 82.02.090; or

27 ~~((ii))~~ (B) A project for which traffic or parking impacts are
28 ~~(expressly)~~ mitigated by an ordinance, or ordinances, of general
29 application adopted by the city or town.

30 ~~((2))~~ (b) The exemption under this subsection (2) does not
31 apply if the department of transportation has found that the project
32 will present significant adverse impacts to the state-owned
33 transportation system.

34 (3)(a) Aesthetics. A project action pertaining to residential,
35 multifamily, or mixed-use development evaluated under this chapter by
36 a city or town planning under RCW 36.70A.040 is exempt from appeals
37 under this chapter on the basis of the evaluation of or impacts to
38 the aesthetics element of the environment, so long as the project is

1 subject to design review pursuant to adopted design review
2 requirements at the local government level.

3 (b) Light and glare. A project action pertaining to residential,
4 multifamily, or mixed-use development evaluated under this chapter by
5 a city or town planning under RCW 36.70A.040 is exempt from appeals
6 under this chapter on the basis of the evaluation of or impacts to
7 the light and glare element of the environment, so long as the
8 project is subject to design review pursuant to adopted design review
9 requirements at the local government level.

10 (4) For purposes of this section(~~(7-"impacts")):~~

11 (a) "Design review" means a formally adopted local government
12 process by which projects are reviewed for compliance with design
13 standards for the type of use adopted through local ordinance.

14 (b) "Impacts to transportation elements of the environment"
15 include impacts to transportation systems; vehicular traffic;
16 waterborne, rail, and air traffic; parking; movement or circulation
17 of people or goods; and traffic hazards.

18 NEW SECTION. Sec. 5. (1) The legislature recognizes that
19 certain rule-based categorical exemption thresholds to chapter 43.21C
20 RCW, found in WAC 197-11-800, have not been updated in recent years,
21 and should be modified in light of the increased environmental
22 protections in place under chapters 36.70A and 90.58 RCW, the current
23 affordable housing crisis, and other laws. It is the intent of the
24 legislature to direct the department of ecology to conduct expedited
25 rule making to modify the thresholds for the categorical exemptions
26 described under subsection (2) of this section.

27 (2) By December 31, 2022, the department of ecology shall modify
28 the rule-based categorical exemptions to chapter 43.21C RCW found in
29 WAC 197-11-800 as follows:

30 (a) Include four attached single-family residential units to the
31 current exemption under WAC 197-11-800(1)(b)(i);

32 (b) Create a new exemption level under WAC 197-11-800(1)(d) for
33 single-family residential project types with a total square footage
34 of fewer than 1,500 square feet in incorporated urban growth areas of
35 at least 100 units;

36 (c) Increase the exemption level under WAC 197-11-800(1)(d) for
37 multifamily residential project types in incorporated urban growth
38 areas from 60 units to 200 units; and

1 (d) Add the following sentence to WAC 197-11-800(1)(c)(i): "The
2 city, town, or county must document the result of its outreach with
3 the department of transportation on impacts to state-owned
4 transportation facilities, including consideration of whether
5 mitigation is necessary for impacts to state-owned transportation
6 facilities."

7 (3) This section expires January 1, 2024.

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

10 Any applicant whose project qualifies as exempt or categorically
11 exempt under either this chapter or under rules adopted pursuant to
12 this chapter is not required to file an environmental checklist if
13 other information is available to establish that a project qualifies
14 for an exemption."

15 Correct the title.

EFFECT: (1) Removes actions taken to implement a housing action plan from the scope of actions that are not subject to appeal under either the State Environmental Policy Act (SEPA) or the Growth Management Act (GMA).

(2) Restores existing language in statute that requires that actions taken by a city to increase residential building capacity be taken prior to April 1, 2023, in order to be exempt from legal challenge under the GMA.

(3) Removes provision that would have exempted actions taken to comply with a housing element from review under the GMA.

(4) Provides that certain actions taken by a city planning fully under the GMA to comply with a housing element are not subject to appeal under SEPA unless the action has a probable significant adverse impact on fish habitat.

(5) Requires the Department of Ecology to add the following sentence to its rules related to SEPA categorical exemptions for minor new construction: "The city, town, or county must document the result of its outreach with the department of transportation on impacts to state-owned transportation facilities, including consideration of whether mitigation is necessary for impacts to state-owned transportation facilities."

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