

HOUSE BILL REPORT

HB 1981

As Reported by House Committee On:
Local Government

Title: An act relating to local government planning.

Brief Description: Concerning local government planning.

Sponsors: Representatives Pollet, Ryu and Santos.

Brief History:

Committee Activity:

Local Government: 1/18/22, 2/1/22 [DPS].

Brief Summary of Substitute Bill

- Requires the Department of Commerce to undertake an evaluation of the costs to cities and counties to revise their comprehensive plans and ensure compliance with the Growth Management Act, with a report on the evaluation due to the Legislature due by December 1, 2022, and updates required every five years thereafter.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Pollet, Chair; Duerr, Vice Chair; Goehner, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; Berg, Robertson and Senn.

Staff: Kellen Wright (786-7134).

Background:

The Growth Management Act (GMA) requires that certain counties, and the cities within

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those counties, engage in planning for future population growth. Counties that have a population of 50,000 or more and, prior to May 16, 1995, had its population grow by 10 percent or more in the proceeding 10 years, or, after May 16, 1995, by 17 percent or more in a 10-year period are covered by the GMA. So too is any county that experiences population growth of 20 percent over 10 years. Counties with populations under 50,000, that would otherwise be required to plan, can remove themselves from the GMA's comprehensive planning requirements. Conversely, counties that do not meet the standards for automatic inclusion in the GMA may choose to be included. Currently, 18 counties are required to plan, 10 have chosen to plan, and 11 are not subject to the full GMA planning requirements.

The comprehensive plan is the central part of the planning process. The Legislature has established 14 goals to act as the basis of all comprehensive plans. Examples of goals include reducing sprawl, providing for affordable housing, and protecting property rights. The comprehensive plan must address these goals and set out the policies and standards that are meant to guide the city or county's actions and decisions in the future. Comprehensive plans must contain certain elements, such as a land use element, a transportation element, and a capital facilities plan element. These elements must satisfy the requirements for each individual element while fitting within the overall comprehensive plan. Revising a comprehensive plan, and adopting development regulations requires legislative action from the county or city making the revision or adopting the regulations.

As part of the planning process, counties and cities must also adopt development regulations to protect critical areas. There are five types of critical areas: wetlands, areas with a critical recharging effect on aquifers used for potable water, fish and wildlife habitat conservation areas, frequently flooded areas, and geologically hazardous areas. Review and potential revision of critical area ordinances are required at the same time as a comprehensive plan is reviewed and revised.

Every eight years, a county or city that is planning under the GMA must review and revise its comprehensive plan and development regulations to ensure that the plan and regulations comply with the requirements of the GMA. This review and revision requires legislative action from the county or city. The county and cities must establish a public participation program that provides notice to various interested or impacted individuals and organizations who can become involved in the process. The county and cities may generally only consider updates to the comprehensive plan once a year. The county must also update its designated Urban Growth Areas (UGAs).

New and amended comprehensive plan elements are required to be adopted into a local government's next comprehensive plan update if the Legislature has provided sufficient funds to cover applicable planning costs at least two years prior the update. If the funding has not materialized, then the requirement to adopt a new or amended element is null and void until it does.

Summary of Substitute Bill:

The Department of Commerce (Department) is required to evaluate the costs for counties and cities to revise their comprehensive plans to comply with the GMA. The evaluation must be completed by December 1, 2022, and updated every five years. The evaluation is required to include the costs incurred by each general jurisdiction size and type to complete various types of planning requirements, such as updating a comprehensive plan to meet a new GMA goal or element, or updating a critical areas ordinance. The Department is required to consult with the Washington State Association of Counties and the Association of Washington Cities as part of the evaluation process.

Substitute Bill Compared to Original Bill:

The substitute bill removes all substantive provisions except the requirement that the Department conduct an evaluation to determine the costs for counties and cities to revise their comprehensive plans to comply with the GMA.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) This bill is meant to address multiple issues. The state's growth rate has resulted in a crisis of people unable to afford housing in Washington. This leads to crisis in lack of integration and in displacement in cities, including of immigrants and communities of color. There has been a wave of high housing costs throughout the state. Middle housing is not the whole solution, but it is part of it. The bill should address housing in a way that ties the new requirements into the other elements of planning under the GMA. The comprehensive plan brings all planning together and ensures that the planning process is thoughtful and holistic. Common interest communities can exclude housing and prevent economic and racial integration, even if the cities and counties are required to plan for it. Communities may have had racially and religiously exclusionary covenants previously which have been stricken, but current covenants can still mandate similar exclusivity and for only one house per lot. This is the only bill that includes an assurance that every community is part of the solution to the housing crisis and is opened up to integration rather than subject to private zoning rules. There is also a need for strong anti-displacement provisions, as the initial thousands of units built will not be affordable housing. The bill must require that at least one unit will be affordable when multiple units are being built.

There is a need to fund local governments for planning and staffing, which are provided in this bill. The funding and staffing from the Department is appreciated. This bill addresses a range of issues. Displacement of low-income residents and homelessness, not just missing middle housing, should be addressed. Local decisions should be made by local officials. The bill should not eliminate environmental review, and should provide for environmental equity.

(Opposed) None.

(Other) Allowing more missing middle housing with additional density near transit is important. However, not every lot is fit for triplexes, fourplexes, and sixplexes. This bill does away with local housing action plans. This bill properly recognizes that it will take real money and resources to bring missing middle housing to cities. The broad preemption in this bill is inappropriate, and similar actions in other states have not shown a huge demand for missing middle housing. The bill is too prescriptive, and includes requirements for counties in areas in which they're not involved. Impact fees shouldn't be mandated. The authorization to build missing middle currently exists in many cities. This bill needs to come with resources for local governments and it needs to address issues with restrictive covenants. The cost study in this bill is important, as is the tool box provided for the Department to use. Lifting the 1 percent property tax cap is important.

Persons Testifying: (In support) Representative Gerry Pollet, prime sponsor; and Steve Zemke, Tree Political Action Committee.

(Other) Ruth Perez, City of Renton; Paul Jewell, Washington State Association of Counties; and Carl Schroeder, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: Joe Kunzler; Karen Levenson; Raelene Schifano, Homeowners Association Fightclub; and Pamela Johnston.