

HOUSE BILL REPORT

2ESSB 5275

As Passed House:

March 4, 2022

Title: An act relating to enhancing opportunity in limited areas of more intense rural development.

Brief Description: Enhancing opportunity in limited areas of more intense rural development.

Sponsors: Senate Committee on Housing & Local Government (originally sponsored by Senators Short, Lovelett, Das, Wellman and Wilson, C.).

Brief History:

Committee Activity:

Local Government: 3/16/21, 3/19/21 [DP], 2/18/22, 2/23/22 [DP].

Floor Activity:

Passed House: 3/4/22, 96-1.

Brief Summary of Second Engrossed Substitute Bill

- Allows development and redevelopment in terms of building size, scale, use, or intensity within a limited area of more intensive rural development if all existing providers of public facilities and services confirm that there is sufficient capacity to serve the new or increased demand from the development.
- Requires commercial development or redevelopment within a mixed-use area of a limited area of more intensive rural development to be primarily designed to serve the needs of the rural population, and sets limits on the size of retail or food service spaces within such development.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

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

Majority Report: 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 those counties, engage in planning for future population growth. The central part of the planning process is the comprehensive plan. The Legislature has established 14 goals that should 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. These plans are required to be updated every eight years and must contain certain elements, such as a land use element, a housing element, and a capital facilities plan. These elements must satisfy the requirements for each individual element while fitting within the overall comprehensive plan.

One required element of the comprehensive plan that applies only to counties is the rural element. This element covers rural development and measures to protect the rural character of an area. Measures to protect rural character include containing or controlling rural development; assuring visual compatibility of development with the surrounding rural area; reducing the conversion of undeveloped land into low-density development; protecting critical areas; and protecting against conflicts with agricultural, forest, and mineral resource lands. The rural element can also allow limited areas of more intensive rural development (LAMIRD) within existing developed areas.

There are three types of LAMIRD. The first type is the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas. Development or redevelopment, other than that in an industrial area or of an industrial use, must be designed to principally serve the existing and projected rural population. Any development or redevelopment in terms of building size, scale, use, or intensity must be consistent with the character of the existing area and changes in use of vacant land or a change in use from an existing use must conform to these requirements and to the overall requirements of the rural element of the comprehensive plan.

A second type of LAMIRD is the intensification or development of small-scale recreational or tourist uses that rely on a rural setting. These uses cannot include new residential development, and public services and facilities must be limited to those necessary to serve the recreational or tourist use and cannot be provided in a way that permits low-density sprawl. Recreational or tourist uses are not required to principally serve the existing and projected rural population.

A third type of LAMIRD is the intensification of development on lots containing isolated cottage industries or small-scale businesses that are not designed to principally serve the existing and projected rural population, but do provide rural job opportunities. The expansion of these small-scale businesses can be allowed as long as they conform to the rural character of the area. Any public services and facilities must be limited to those needed to serve the businesses and cannot be provided in a manner that permits low-density sprawl.

A county is required to adopt measures to minimize and contain areas and uses of more intensive rural development within existing areas of development, and lands included within those areas must not extend past the logical outer boundary of the area. An existing area is a clearly identifiable area based on the built environment that was in place at the time that the county became subject to the requirements of the GMA. A county is required to establish the logical outer boundary of existing intensive rural development based on the need to preserve the character of existing communities; on physical boundaries such as bodies of water, streets, and land forms; on the prevention of abnormally irregular boundaries; and on the ability to provide public facilities and services in a way that does not permit low-density sprawl.

Summary of Bill:

In a LAMIRD involving the infill, development, or redevelopment (development) of existing commercial, industrial, residential, or mixed-use areas, any development in terms of building size, scale, use, or intensity may be allowed if all existing providers of public facilities and public services confirm that there is sufficient capacity to serve any increased demand from the new development. This development may include changes from vacant land or from a prior land use if the new use is consistent with the rural element requirements and is consistent with the local character. Any commercial development in a mixed-use area must be designed primarily to serve the existing and projected rural population. Any retail or food service space in the development may not exceed the greater of the footprint of the previously occupied space or 5,000 square feet if the prior use was the same or similar, and may not exceed 2,500 square feet for included retail or food service space if the retail or food service use will be a new use.

A county is required to adopt measures to minimize and contain areas of more intensive rural development within existing areas of development, but is not required to contain the uses within an area of more intensive rural development.

Appropriation: None.

Fiscal Note: Not requested.

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

bill is passed.

Staff Summary of Public Testimony:

(In support) This bill offers an effective change that further enhances the fundamental purpose of LAMIRDs. The LAMIRDs were originally envisioned as a way for counties to have more tools to plan for appropriate development. However, LAMIRDs are very inflexible and are tied to the physical environment that existed in the 1990s when they were created. Redevelopment opportunities are limited and these areas are almost set in stone as they were 30 years ago. Even though needs have changed, LAMIRDs have not been allowed to. This bill allows needed flexibility and options for redevelopment as long as it serves the local community and remains consistent with the overall area. Existing services would need to be able to accommodate any new development or redevelopment. This is a balanced look at the needs of the environment and those of the rural community. There are significant guardrails in place to prevent sprawl and to make sure that there will be no new services required. There is a need for infill and redevelopment in order to provide services to rural residents. This bill allows LAMIRDs to continue to function in the modern economy and to evolve over time. This bill has been negotiated among a wide variety of stakeholders and is supported by them.

(Opposed) None.

Persons Testifying: Senator Shelly Short, prime sponsor; Jan Himebaugh, Building Industry Association of Washington; Paul Jewell, Washington State Association of Counties; and Dave Andersen, Washington State Department of Commerce.

Persons Signed In To Testify But Not Testifying: None.