

SENATE BILL REPORT

SB 5964

As of February 1, 2022

Title: An act relating to consolidated local permit review processes.

Brief Description: Concerning consolidated local permit review processes.

Sponsors: Senators Mullet, Kuderer, Gildon and Saldaña.

Brief History:

Committee Activity: Housing & Local Government: 2/02/22.

Brief Summary of Bill

- Requires a local government to exempt project permits for interior alterations from site plan review under certain conditions.
- Establishes a consolidated permit review grant program for local governments to issue final decisions for residential permit applications within specified time frames.
- Creates a grant program to support local governments' transitions from a paper permit filing system to software systems capable of processing digital permit applications.
- Requires the Department of Commerce to convene a temporary work group to study potential statewide license and permitting software for local governments to streamline existing permit review processes.

SENATE COMMITTEE ON HOUSING & LOCAL GOVERNMENT

Staff: Maggie Douglas (786-7279)

Background: Project Permit Process. Cities and counties choosing to plan under the Growth Management Act (GMA) must establish an integrated and consolidated

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development permit process for all projects involving two or more permits and provide for no more than one open record hearing and one closed record appeal. Other jurisdictions not planning under the GMA may incorporate some or all of the integrated and consolidated development permit process.

Local governments must issue a determination of completeness of the project permit application within 28 days of submission. A project permit application is complete when it meets the local procedural submission requirements even if additional information is needed because of subsequent project modifications. Within 14 days of receiving requested additional information, the local government must notify the applicant whether the application is complete.

The determination of completeness does not preclude a request for additional information if new information is required or substantial project changes occur. A project permit application is complete if the GMA jurisdiction does not provide the determination within the required time period.

For some types of development proposals, such as building plans or proposed land subdivisions, the current set of local regulations vest to that proposed project only after its application is deemed complete by the local permit staff. A determination of completeness starts the state-mandated, 120-day deadline within which local governments are required to review and make a decision on many types of development proposals.

Project Review—Required Elements. A proposed project must be consistent with a local government's development regulations, or in the absence of applicable regulations, the adopted comprehensive plan. Applicable regulations must be determinative of the following:

- type of land use permitted at the site, including uses that may be allowed under certain circumstances;
- density of residential development in urban growth areas; and
- availability and adequacy of public facilities identified in the comprehensive plan or development regulations.

A local government or subsequent reviewing body may not reexamine alternatives to or hear appeals regarding the validity of applicable regulations unless it concerns issues of code interpretations.

Site Plan Review. A local government may require a binding site plan to be included with any permit application prior to the issuance of construction permits. The site plan may include a description of physical details that relate to the site and the type of use proposed, including landscaping, design, parking location, and other site-specific issues. A site plan provides exact locations and detail for the type of information appropriately addressed as a part of property division, such as infrastructure, certification, and other requirements of typical subdivisions.

The review of a site plan must include a preapplication conference, conceptual review, public participation meeting, design guidance review, and a final design review and recommendation. A site plan may be subject to review by the local public health district, city engineering department, or the local planning commission.

Summary of Bill: Project permit applications for interior alterations must be exempt from site plan review under the condition that the interior alterations do not result in additional sleeping quarters, nonconformity with federal emergency management agency substantial improvement thresholds, or increase the total square footage of the structure, which would all require upgraded fire access or fire suppression systems. Any interior alteration may not modify the existing site layout, current use, or building footprint.

The Department of Commerce (Commerce) must establish a consolidated permit review grant program for eligible local governments and is appropriated \$40 million from the state general fund for this purpose. Prior to receiving a grant, a local government must commit to issuing final permit application decisions within 45 business days or 90 calendar days, and establish an application fee structure that would allow the jurisdiction to continue providing consolidated permit review within the same time frame.

A local government may use the grant moneys to contract with a third-party business to conduct consolidated permit review or to provide additional inspection staff. Any jurisdiction that is awarded moneys under this program must provide a quarterly report to Commerce, detailing the jurisdiction's average and maximum time for permit review during its participation in the grant program.

Commerce must also establish a grant program for local governments to update their permit review process from paper filing systems to software systems capable of processing digital permit applications, virtual inspections, electronic review, and capacity for video storage. Commerce is appropriated \$10 million from the state general fund for this purpose.

Commerce must also convene a digital permitting process work group to examine a potential statewide license and permitting software for local governments to encourage streamlined and efficient permit review. Commerce is appropriated \$200,000 from the general fund to support the work group. The work group must include cities, counties, and building industries and provide a final report to the Legislature by August 2023.

Appropriation: The bill contains appropriations totaling \$50,200,000 from the general fund.

Fiscal Note: Requested on January 31, 2022.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.