HOUSE BILL 2049

State of Washington 67th Legislature 2022 Regular Session

By Representatives Barkis, Bateman, Boehnke, Gilday, Hoff, Robertson, Rude, Shewmake, Walen, Wicks, Dufault, Sutherland, Eslick, Macri, Peterson, Simmons, and Young

Read first time 01/19/22. Referred to Committee on Local Government.

- 1 AN ACT Relating to encouraging construction of affordable housing
- 2 by eliminating redundancies and streamlining the permitting process;
- 3 amending RCW 19.27.095, 36.70B.030, 36.70B.050, 36.70B.080,
- 4 36.70B.120, and 36.70B.140; adding a new section to chapter 19.27
- 5 RCW; and creating a new section.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 <u>NEW SECTION.</u> **Sec. 1.** Washington state has the fewest housing
- 8 units per household in the nation according to a presentation by the
- 9 lieutenant governor. The permitting of buildings is one area that has
- 10 been identified as a hindrance to increasing the number of housing
- 11 units in Washington state. The legislature finds that streamlining
- 12 the processing of building permits is a powerful way to combat the
- 13 lack of housing in this state.
- 14 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 19.27
- 15 RCW to read as follows:
- 16 (1) Any building permit application submitted with plans,
- 17 computations, or specifications prepared, stamped, and signed by a
- 18 professional engineer or architect, licensed under the laws of the
- 19 state of Washington in the appropriate discipline, is deemed complete
- 20 by the local government with authority to enforce the building code

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- under RCW 19.27.050. The local government may review the application for general compliance with the zoning or other land use control ordinances in effect but may not impose substantial modifications or conditions on submittals prepared, stamped, and signed by a licensed architect, landscape architect, soils engineer, civil engineer, structural engineer, or combination thereof.
 - (2) This section applies only when the professional engineer or architect, duly licensed under Title 18 RCW, maintains professional liability errors and omissions insurance in an amount not less than \$1,000,000 executed by an insurer authorized to do business in the state of Washington.
- 12 **Sec. 3.** RCW 19.27.095 and 1991 c 281 s 27 are each amended to 13 read as follows:
 - (1) A valid and fully complete building permit application for a structure, that is permitted under the zoning or other land use control ordinances in effect on the date of the application shall be considered under the building permit ordinance in effect at the time of application, and the zoning or other land use control ordinances in effect on the date of application.
 - (2) The requirements for a fully completed application shall be defined by local ordinance but for any construction project costing more than five thousand dollars the application shall include, at a minimum:
 - (a) The legal description, or the tax parcel number assigned pursuant to RCW 84.40.160, and the street address if available, and may include any other identification of the construction site by the prime contractor;
 - (b) The property owner's name, address, and phone number;
- 29 (c) The prime contractor's business name, address, phone number, 30 current state contractor registration number; and
 - (d) Either:

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- (i) The name, address, and phone number of the office of the lender administering the interim construction financing, if any; or
- (ii) The name and address of the firm that has issued a payment bond, if any, on behalf of the prime contractor for the protection of the owner, if the bond is for an amount not less than fifty percent of the total amount of the construction project.
- 38 (3) (a) The construction drawings element of a complete building 39 application is deemed approved by the local government with authority

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to enforce the building code under RCW 19.27.050 when the building permit application is submitted with plans, computations, or other required specifications prepared, stamped, and signed by a professional engineer or architect, licensed under the laws of the state of Washington in the appropriate discipline.

- (b) This subsection applies only where the professional engineer or architect, duly licensed under Title 18 RCW, maintains professional liability errors and omissions insurance in an amount not less than \$1,000,000 executed by an insurer authorized to do business in the state of Washington.
- (4) The information required on the building permit application by subsection (2)(a) through (d) of this section shall be set forth on the building permit document which is issued to the owner, and on the inspection record card which shall be posted at the construction site.
- $((\frac{4}{1}))$ (5) The information required by subsection (2) of this section and information supplied by the applicant after the permit is issued under subsection $((\frac{5}{1}))$ (6) of this section shall be kept on record in the office where building permits are issued and made available to any person on request. If a copy is requested, a reasonable charge may be made.
- (((+5))) (6) If any of the information required by subsection (2)(d) of this section is not available at the time the application is submitted, the applicant shall so state and the application shall be processed forthwith and the permit issued as if the information had been supplied, and the lack of the information shall not cause the application to be deemed incomplete for the purposes of vesting under subsection (1) of this section. However, the applicant shall provide the remaining information as soon as the applicant can reasonably obtain such information.
- $((\frac{(6)}{(6)}))$ The limitations imposed by this section shall not restrict conditions imposed under chapter 43.21C RCW.
- **Sec. 4.** RCW 36.70B.030 and 1995 c 347 s 404 are each amended to read as follows:
 - (1) Fundamental land use planning choices made in adopted comprehensive plans and development regulations shall serve as the foundation for project review. The review of a proposed project's consistency with applicable development regulations, or in the absence of applicable regulations the adopted comprehensive plan,

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under RCW 36.70B.040 shall incorporate the determinations under this section.

- (2) During project review, a local government or any subsequent reviewing body shall determine whether the items listed in this subsection are defined in the development regulations applicable to the proposed project or, in the absence of applicable regulations the adopted comprehensive plan. At a minimum, such applicable regulations or plans shall be determinative of the:
- (a) Type of land use permitted at the site, including uses that may be allowed under certain circumstances, such as planned unit developments and conditional and special uses, if the criteria for their approval have been satisfied;
 - (b) Density of residential development in urban growth areas; and
 - (c) Availability and adequacy of public facilities identified in the comprehensive plan, if the plan or development regulations provide for funding of these facilities as required by chapter 36.70A RCW
 - (3) During project review, the local government or any subsequent reviewing body shall not reexamine alternatives to or hear appeals on the items identified in subsection (2) of this section, except for issues of code interpretation. As part of its project review process, a local government shall provide a procedure for obtaining a code interpretation as provided in RCW 36.70B.110.
 - (4) Pursuant to RCW 43.21C.240, a local government may determine that the requirements for environmental analysis and mitigation measures in development regulations and other applicable laws provide adequate mitigation for some or all of the project's specific adverse environmental impacts to which the requirements apply.
- (5) (a) Any building permit application submitted with plans, computations, or specifications prepared, stamped, and signed by a professional engineer or architect, licensed under the laws of the state of Washington in the appropriate discipline is deemed complete by the local government with authority to enforce the building code under RCW 19.27.050. The local government may review the application for general compliance with the zoning or other land use control ordinances in effect but may not impose substantial modifications or conditions on submittals prepared, stamped, and signed by a licensed architect, landscape architect, soils engineer, civil engineer, structural engineer, or combination thereof.

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(b) This subsection applies only where the professional engineer or architect, duly licensed under Title 18 RCW, maintains professional liability errors and omissions insurance in an amount not less than \$1,000,000 executed by an insurer authorized to do business in the state of Washington.

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- 6 (6) Nothing in this section limits the authority of a permitting 7 agency to approve, condition, or deny a project as provided in its development regulations adopted under chapter 36.70A RCW and in its 8 policies adopted under RCW 43.21C.060. Project review shall be used 9 to identify specific project design and conditions relating to the 10 character of development, such as the details of site plans, curb 11 12 cuts, drainage swales, transportation demand management, the payment of impact fees, or other measures to mitigate a proposal's probable 13 14 adverse environmental impacts, if applicable.
- 15 $((\frac{(+6)}{(+6)}))$ (7) Subsections (1) through $((\frac{(+4)}{(+4)}))$ (5) of this section apply only to local governments planning under RCW 36.70A.040.
- 17 **Sec. 5.** RCW 36.70B.050 and 1995 c 347 s 406 are each amended to 18 read as follows:
 - Not later than March 31, 1996, each local government shall provide by ordinance or resolution for review of project permit applications to achieve the following objectives:
- 22 (1) Combine the environmental review process, both procedural and 23 substantive, with the procedure for review of project permits; and
 - (2) Except for the appeal of a determination of significance as provided in RCW 43.21C.075, provide for no more than one open record hearing and one closed record appeal.
 - (3) A project permit application that is consistent with adopted development regulations and within the capacity of systemwide infrastructure improvement is deemed approved following three reviews or requests for additional information by the local government unless a clear violation of substantive and procedural requirements is demonstrated by the reviewing local government.
- 33 **Sec. 6.** RCW 36.70B.080 and 2004 c 191 s 2 are each amended to 34 read as follows:
- 35 (1) Development regulations adopted pursuant to RCW 36.70A.040 36 must establish and implement time periods for local government 37 actions for each type of project permit application and provide 38 timely and predictable procedures to determine whether a completed

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project permit application meets the requirements of those development regulations. The time periods for local government actions for each type of complete project permit application or project type should not exceed one hundred twenty days, unless the local government makes written findings that a specified amount of additional time is needed to process specific complete project permit applications or project types.

The development regulations must, for each type of permit application, specify the contents of a completed project permit application necessary for the complete compliance with the time periods and procedures.

- (2) (a) Counties subject to the requirements of RCW 36.70A.215 and the cities within those counties that have populations of at least twenty thousand must, for each type of permit application, identify the total number of project permit applications for which decisions are issued according to the provisions of this chapter. For each type of project permit application identified, these counties and cities must establish and implement a deadline for issuing a notice of final decision as required by subsection (1) of this section and minimum requirements for applications to be deemed complete under RCW 36.70B.070 as required by subsection (1) of this section.
- (b) Counties and cities subject to the requirements of this subsection also must prepare annual performance reports that include, at a minimum, the following information for each type of project permit application identified in accordance with the requirements of (a) of this subsection:
- (i) Total number of complete applications received during the year;
- (ii) Number of complete applications received during the year for which a notice of final decision was issued before the deadline established under this subsection;
- (iii) ((Number of applications received during the year for which a notice of final decision was issued after the deadline established under this subsection;
- (iv) Number of applications received during the year for which an extension of time was mutually agreed upon by the applicant and the county or city;
- (v) Variance of actual performance, excluding applications for which mutually agreed time extensions have occurred, to the deadline established under this subsection during the year; and

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(vi) The mean processing time and the number standard deviation from the mean)) For all approvals or rejections within the prior calendar year, the mean average time between the date of submission of an application for a land subdivision and the date the subdivision was approved or rejected;

- (iv) For all approvals or rejections within the prior calendar year, the mean average time between the date of submission to meet the first mandatory requirement for an application for construction of a single-family home, duplex, triplex, fourplex, or townhome and the date the certificate of occupancy was issued;
- 11 <u>(v) The number of applications for land subdivisions which were</u> 12 <u>not approved or were rejected within 12 months of the initial</u> 13 <u>application during the prior calendar year; and</u>
 - (vi) The number of applications for construction of a single-family home, duplex, triplex, fourplex, or townhome for which a certificate of occupancy was not issued within 12 months of the submission to meet the first mandatory requirement for the application of construction.
 - (c) Counties and cities subject to the requirements of this subsection must((\div
 - (i) Provide notice of and access to the)) provide annual performance reports ((through the county's or city's website; and
 - (ii) Post electronic facsimiles of the annual performance reports through the county's or city's website. Postings on a county's or city's website indicating that the reports are available by contacting the appropriate county or city department or official do not comply with the requirements of this subsection.
 - If a county or city subject to the requirements of this subsection does not maintain a website, notice of the reports must be given by reasonable methods, including but not limited to those methods specified in RCW 36.70B.110(4))) to the department of commerce no later than March 1st for the prior period of January 1st through December 31st. Reports shall be provided in a form and manner specified by the department of commerce.
 - (3) Nothing in this section prohibits a county or city from extending a deadline for issuing a decision for a specific project permit application for any reasonable period of time mutually agreed upon by the applicant and the local government.
 - (4) The department of ((community, trade, and economic development shall work with the counties and cities to review the

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- potential implementation costs of the requirements of subsection (2) of this section. The department, in cooperation with the local governments, shall prepare a report summarizing the projected costs, together with recommendations for state funding assistance for implementation costs, and provide the report to the governor and appropriate committees of the senate and house of representatives by January 1, 2005)) commerce shall publish on a publicly available website all reports submitted by cities and counties. The reports must be easily searchable by date and by the name of the city or county.
- 11 (5) The department of commerce shall not release any funding
 12 available under chapter 43.155 RCW or assist in compliance under
 13 chapter 36.70A RCW to a city or county that has not reported to the
 14 department of commerce annually by the date specified in this
 15 section.
- **Sec. 7.** RCW 36.70B.120 and 1995 c 347 s 416 are each amended to read as follows:

- (1) Each local government planning under RCW 36.70A.040 shall establish a permit review process that provides for the integrated and consolidated review and decision on two or more project permits relating to a proposed project action, including a single application review and approval process covering all project permits requested by an applicant for all or part of a project action and a designated permit coordinator. If an applicant elects the consolidated permit review process, the determination of completeness, notice of application, and notice of final decision must include all project permits being reviewed through the consolidated permit review process.
- (2) Consolidated permit review may provide different procedures for different categories of project permits, but if a project action requires project permits from more than one category, the local government shall provide for consolidated permit review with a single open record hearing and no more than one closed record appeal as provided in RCW 36.70B.060. Each local government shall determine which project permits are subject to an open record hearing and a closed record appeal. Examples of categories of project permits include but are not limited to:

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(a) Proposals that are categorically exempt from chapter 43.21C RCW, such as construction permits, that do not require environmental review or public notice;

- (b) Permits that require environmental review, but no open record predecision hearing; and
- (c) Permits that require a threshold determination and an open record predecision hearing and may provide for a closed record appeal to a hearing body or officer or to the local government legislative body.
- (3) A local government may provide by ordinance or resolution for the same or a different decision maker or hearing body or officer for different categories of project permits. In the case of consolidated project permit review, the local government shall specify which decision makers shall make the decision or recommendation, conduct the hearing, or decide the appeal to ensure that consolidated permit review occurs as provided in this section. The consolidated permit review may combine an open record predecision hearing on one or more permits with an open record appeal hearing on other permits. In such cases, the local government by ordinance or resolution shall specify which project permits, if any, shall be subject to a closed record appeal.
- 22 (4) Each local government planning under RCW 36.70A.040 shall
 23 establish a permit review process which must include a technical
 24 review of the application for conformity with the requirements by all
 25 departments, divisions, and sections of the local government with
 26 jurisdiction over the project before returning the permit to the
 27 applicant for corrections and changes.
- **Sec. 8.** RCW 36.70B.140 and 1995 c 347 s 418 are each amended to 29 read as follows:
 - (1) A local government by ordinance or resolution may exclude the following project permits from the provisions of RCW 36.70B.060 through ((36.70B.090)) 36.70B.080 and 36.70B.110 through 36.70B.130: Landmark designations, street vacations, or other approvals relating to the use of public areas or facilities, or other project permits, whether administrative or quasi-judicial, that the local government by ordinance or resolution has determined present special circumstances that warrant a review process different from that provided in RCW 36.70B.060 through ((36.70B.090)) 36.70B.080 and 36.70B.110 through 36.70B.130.

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(2) A local government by ordinance or resolution also may exclude the following project permits from the provisions of RCW 36.70B.060 and 36.70B.110 through 36.70B.130: Lot line or boundary adjustments and building and other construction permits, or similar administrative approvals, categorically exempt from environmental review under chapter 43.21C RCW, or for which environmental review has been completed in connection with other project permits.

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- 8 (3) (a) A local government by ordinance or resolution must exclude
 9 the following project permits from the provisions of chapter 36.70B
 10 RCW:
- 11 <u>(b) The expansion or remodeling of existing buildings,</u>
 12 <u>structures, or development, provided that:</u>
- (i) The alterations do not modify the existing site layout for single-family dwellings or single duplexes, except those located in critical areas, or, in cases when two or more duplexes will be built on the same lot;
- 17 <u>(ii) The project involves no exterior work adding to the building</u>
 18 <u>footprint;</u>
- 19 <u>(iii) The door or window adjustments or replacements are allowed</u> 20 <u>with no site plan needed; and</u>
- 21 <u>(iv) Total additions and alterations and detached accessory</u>
 22 <u>structures are less than 2,000 square feet in area without new</u>
 23 vehi<u>cular access.</u>

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