

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5818

67th Legislature
2022 Regular Session

Passed by the Senate March 7, 2022
Yeas 43 Nays 6

President of the Senate

Passed by the House March 4, 2022
Yeas 97 Nays 1

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5818** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5818

AS AMENDED BY THE HOUSE

Passed Legislature - 2022 Regular Session

State of Washington 67th Legislature 2022 Regular Session

By Senate Housing & Local Government (originally sponsored by Senators Salomon, Lias, Kuderer, Saldaña, and Short)

READ FIRST TIME 02/02/22.

1 AN ACT Relating to promoting housing construction in cities
2 through amendments to and limiting appeals under the state
3 environmental policy act and growth management act; amending RCW
4 36.70A.600, 36.70A.070, 43.21C.495, and 43.21C.501; adding a new
5 section to chapter 43.21C RCW; creating a new section; and providing
6 an expiration date.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

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

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

19 (b) Authorize development in one or more areas of not fewer than
20 two hundred acres in cities with a population greater than forty
21 thousand or not fewer than one hundred acres in cities with a

1 population less than forty thousand that include at least one bus
2 stop served by scheduled bus service of at least four times per hour
3 for twelve or more hours per day with an average of at least twenty-
4 five residential units per acre that require no more than an average
5 of one on-site parking space per two bedrooms in portions of the
6 multifamily zones that are located within the areas;

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

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

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

17 (f) Adopt a subarea plan pursuant to RCW 43.21C.420;

18 (g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii),
19 except that an environmental impact statement pursuant to RCW
20 43.21C.030 is not required for such an action;

21 (h) Adopt increases in categorical exemptions pursuant to RCW
22 43.21C.229 for residential or mixed-use development;

23 (i) Adopt a form-based code in one or more zoning districts that
24 permit residential uses. "Form-based code" means a land development
25 regulation that uses physical form, rather than separation of use, as
26 the organizing principle for the code;

27 (j) Authorize a duplex on each corner lot within all zoning
28 districts that permit single-family residences;

29 (k) Allow for the division or redivision of land into the maximum
30 number of lots through the short subdivision process provided in
31 chapter 58.17 RCW;

32 (l) Authorize a minimum net density of six dwelling units per
33 acre in all residential zones, where the residential development
34 capacity will increase within the city. For purposes of this
35 subsection, the calculation of net density does not include the
36 square footage of areas that are otherwise prohibited from
37 development, such as critical areas, the area of buffers around
38 critical areas, and the area of roads and similar features;

39 (m) Create one or more zoning districts of medium density in
40 which individual lots may be no larger than three thousand five

1 hundred square feet and single-family residences may be no larger
2 than one thousand two hundred square feet;

3 (n) Authorize accessory dwelling units in one or more zoning
4 districts in which they are currently prohibited;

5 (o) Remove minimum residential parking requirements related to
6 accessory dwelling units;

7 (p) Remove owner occupancy requirements related to accessory
8 dwelling units;

9 (q) Adopt new square footage requirements related to accessory
10 dwelling units that are less restrictive than existing square footage
11 requirements related to accessory dwelling units;

12 (r) Adopt maximum allowable exemption levels in WAC 197-11-800(1)
13 as it existed on June 11, 2020, or such subsequent date as may be
14 provided by the department of ecology by rule, consistent with the
15 purposes of this section;

16 (s) Adopt standards for administrative approval of final plats
17 pursuant to RCW 58.17.100;

18 (t) Adopt ordinances authorizing administrative review of
19 preliminary plats pursuant to RCW 58.17.095;

20 (u) Adopt other permit process improvements where it is
21 demonstrated that the code, development regulation, or ordinance
22 changes will result in a more efficient permit process for customers;

23 (v) Update use matrices and allowable use tables that eliminate
24 conditional use permits and administrative conditional use permits
25 for all housing types, including single-family homes, townhomes,
26 multifamily housing, low-income housing, and senior housing, but
27 excluding essential public facilities;

28 (w) Allow off-street parking to compensate for lack of on-street
29 parking when private roads are utilized or a parking demand study
30 shows that less parking is required for the project;

31 (x) Develop a local program that offers homeowners a combination
32 of financing, design, permitting, or construction support to build
33 accessory dwelling units. A city may condition this program on a
34 requirement to provide the unit for affordable home ownership or rent
35 the accessory dwelling unit for a defined period of time to either
36 tenants in a housing subsidy program as defined in RCW 43.31.605(14)
37 or to tenants whose income is less than eighty percent of the city or
38 county median family income. If the city includes an affordability
39 requirement under the program, it must provide additional incentives,
40 such as:

1 (i) Density bonuses;
2 (ii) Height and bulk bonuses;
3 (iii) Fee waivers or exemptions;
4 (iv) Parking reductions; or
5 (v) Expedited permitting; and
6 (y) Develop a local program that offers homeowners a combination
7 of financing, design, permitting, or construction support to convert
8 a single-family home into a duplex, triplex, or quadplex where those
9 housing types are authorized. A local government may condition this
10 program on a requirement to provide a certain number of units for
11 affordable home ownership or to rent a certain number of the newly
12 created units for a defined period of time to either tenants in a
13 housing subsidy program as defined in RCW 43.31.605(14) or to tenants
14 whose income is less than eighty percent of the city or county median
15 family income. If the city includes an affordability requirement, it
16 must provide additional incentives, such as:

17 (i) Density bonuses;
18 (ii) Height and bulk bonuses;
19 (iii) Fee waivers or exemptions;
20 (iv) Parking reductions; or
21 (v) Expedited permitting.

22 (2) A city planning pursuant to RCW 36.70A.040 may adopt a
23 housing action plan as described in this subsection. The goal of any
24 such housing plan must be to encourage construction of additional
25 affordable and market rate housing in a greater variety of housing
26 types and at prices that are accessible to a greater variety of
27 incomes, including strategies aimed at the for-profit single-family
28 home market. A housing action plan may utilize data compiled pursuant
29 to RCW 36.70A.610. The housing action plan should:

30 (a) Quantify existing and projected housing needs for all income
31 levels, including extremely low-income households, with documentation
32 of housing and household characteristics, and cost-burdened
33 households;

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

37 (c) Analyze population and employment trends, with documentation
38 of projections;

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

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

5 (f) Provide for participation and input from community members,
6 community groups, local builders, local realtors, nonprofit housing
7 advocates, and local religious groups; and

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

10 (3) (~~If adopted by April 1, 2023,~~) The adoption of ordinances,
11 development regulations and amendments to (~~development~~) such
12 regulations, and other nonproject actions taken by a city to
13 implement the actions specified in subsection (1) of this section,
14 with the exception of the action specified in subsection (1)(f) of
15 this section, are not subject to administrative or judicial appeal
16 under chapter 43.21C RCW.

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

22 (5) In taking action under subsection (1) of this section, cities
23 are encouraged to utilize strategies that increase residential
24 building capacity in areas with frequent transit service and with the
25 transportation and utility infrastructure that supports the
26 additional residential building capacity.

27 (6) A city that is planning to take at least two actions under
28 subsection (1) of this section, and that action will occur between
29 July 28, 2019, and April 1, 2021, is eligible to apply to the
30 department for planning grant assistance of up to one hundred
31 thousand dollars, subject to the availability of funds appropriated
32 for that purpose. The department shall develop grant criteria to
33 ensure that grant funds awarded are proportionate to the level of
34 effort proposed by a city, and the potential increase in housing
35 supply or regulatory streamlining that could be achieved. Funding may
36 be provided in advance of, and to support, adoption of policies or
37 ordinances consistent with this section. A city can request, and the
38 department may award, more than one hundred thousand dollars for
39 applications that demonstrate extraordinary potential to increase
40 housing supply or regulatory streamlining.

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

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

13 (9) In implementing chapter 348, Laws of 2019, cities are
14 encouraged to prioritize the creation of affordable, inclusive
15 neighborhoods and to consider the risk of residential displacement,
16 particularly in neighborhoods with communities at high risk of
17 displacement.

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

20 The comprehensive plan of a county or city that is required or
21 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,
22 and descriptive text covering objectives, principles, and standards
23 used to develop the comprehensive plan. The plan shall be an
24 internally consistent document and all elements shall be consistent
25 with the future land use map. A comprehensive plan shall be adopted
26 and amended with public participation as provided in RCW 36.70A.140.
27 Each comprehensive plan shall include a plan, scheme, or design for
28 each of the following:

29 (1) A land use element designating the proposed general
30 distribution and general location and extent of the uses of land,
31 where appropriate, for agriculture, timber production, housing,
32 commerce, industry, recreation, open spaces, general aviation
33 airports, public utilities, public facilities, and other land uses.
34 The land use element shall include population densities, building
35 intensities, and estimates of future population growth. The land use
36 element shall provide for protection of the quality and quantity of
37 groundwater used for public water supplies. Wherever possible, the
38 land use element should consider utilizing urban planning approaches
39 that promote physical activity. Where applicable, the land use

1 element shall review drainage, flooding, and stormwater runoff in the
2 area and nearby jurisdictions and provide guidance for corrective
3 actions to mitigate or cleanse those discharges that pollute waters
4 of the state, including Puget Sound or waters entering Puget Sound.

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

7 (a) Includes an inventory and analysis of existing and projected
8 housing needs that identifies the number of housing units necessary
9 to manage projected growth, as provided by the department of
10 commerce, including:

11 (i) Units for moderate, low, very low, and extremely low-income
12 households; and

13 (ii) Emergency housing, emergency shelters, and permanent
14 supportive housing;

15 (b) Includes a statement of goals, policies, objectives, and
16 mandatory provisions for the preservation, improvement, and
17 development of housing, including single-family residences, and
18 within an urban growth area boundary, moderate density housing
19 options including ~~((+,+))~~, but not limited to, duplexes, triplexes,
20 and townhomes;

21 (c) Identifies sufficient capacity of land for housing including,
22 but not limited to, government-assisted housing, housing for
23 moderate, low, very low, and extremely low-income households,
24 manufactured housing, multifamily housing, group homes, foster care
25 facilities, emergency housing, emergency shelters, permanent
26 supportive housing, and within an urban growth area boundary,
27 consideration of duplexes, triplexes, and townhomes;

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

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

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

35 (iii) Consideration of housing locations in relation to
36 employment location; and

37 (iv) Consideration of the role of accessory dwelling units in
38 meeting housing needs;

1 (e) Identifies local policies and regulations that result in
2 racially disparate impacts, displacement, and exclusion in housing,
3 including:

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

5 (ii) Disinvestment; and

6 (iii) Infrastructure availability;

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

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

13 (h) Establishes antidisplacement policies, with consideration
14 given to the preservation of historical and cultural communities as
15 well as investments in low, very low, extremely low, and moderate-
16 income housing; equitable development initiatives; inclusionary
17 zoning; community planning requirements; tenant protections; land
18 disposition policies; and consideration of land that may be used for
19 affordable housing.

20 In counties and cities subject to the review and evaluation
21 requirements of RCW 36.70A.215, any revision to the housing element
22 shall include consideration of prior review and evaluation reports
23 and any reasonable measures identified. The housing element should
24 link jurisdictional goals with overall county goals to ensure that
25 the housing element goals are met.

26 The adoption of ordinances, development regulations and
27 amendments to such regulations, and other nonproject actions taken by
28 a city that is required or chooses to plan under RCW 36.70A.040 that
29 increase housing capacity, increase housing affordability, and
30 mitigate displacement as required under this subsection (2) and that
31 apply outside of critical areas are not subject to administrative or
32 judicial appeal under chapter 43.21C RCW unless the adoption of such
33 ordinances, development regulations and amendments to such
34 regulations, or other nonproject actions has a probable significant
35 adverse impact on fish habitat.

36 (3) A capital facilities plan element consisting of: (a) An
37 inventory of existing capital facilities owned by public entities,
38 showing the locations and capacities of the capital facilities; (b) a
39 forecast of the future needs for such capital facilities; (c) the
40 proposed locations and capacities of expanded or new capital

1 facilities; (d) at least a six-year plan that will finance such
2 capital facilities within projected funding capacities and clearly
3 identifies sources of public money for such purposes; and (e) a
4 requirement to reassess the land use element if probable funding
5 falls short of meeting existing needs and to ensure that the land use
6 element, capital facilities plan element, and financing plan within
7 the capital facilities plan element are coordinated and consistent.
8 Park and recreation facilities shall be included in the capital
9 facilities plan element.

10 (4) A utilities element consisting of the general location,
11 proposed location, and capacity of all existing and proposed
12 utilities, including, but not limited to, electrical lines,
13 telecommunication lines, and natural gas lines.

14 (5) Rural element. Counties shall include a rural element
15 including lands that are not designated for urban growth,
16 agriculture, forest, or mineral resources. The following provisions
17 shall apply to the rural element:

18 (a) Growth management act goals and local circumstances. Because
19 circumstances vary from county to county, in establishing patterns of
20 rural densities and uses, a county may consider local circumstances,
21 but shall develop a written record explaining how the rural element
22 harmonizes the planning goals in RCW 36.70A.020 and meets the
23 requirements of this chapter.

24 (b) Rural development. The rural element shall permit rural
25 development, forestry, and agriculture in rural areas. The rural
26 element shall provide for a variety of rural densities, uses,
27 essential public facilities, and rural governmental services needed
28 to serve the permitted densities and uses. To achieve a variety of
29 rural densities and uses, counties may provide for clustering,
30 density transfer, design guidelines, conservation easements, and
31 other innovative techniques that will accommodate appropriate rural
32 economic advancement, densities, and uses that are not characterized
33 by urban growth and that are consistent with rural character.

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

- 37 (i) Containing or otherwise controlling rural development;
38 (ii) Assuring visual compatibility of rural development with the
39 surrounding rural area;

1 (iii) Reducing the inappropriate conversion of undeveloped land
2 into sprawling, low-density development in the rural area;

3 (iv) Protecting critical areas, as provided in RCW 36.70A.060,
4 and surface water and groundwater resources; and

5 (v) Protecting against conflicts with the use of agricultural,
6 forest, and mineral resource lands designated under RCW 36.70A.170.

7 (d) Limited areas of more intensive rural development. Subject to
8 the requirements of this subsection and except as otherwise
9 specifically provided in this subsection (5)(d), the rural element
10 may allow for limited areas of more intensive rural development,
11 including necessary public facilities and public services to serve
12 the limited area as follows:

13 (i) Rural development consisting of the infill, development, or
14 redevelopment of existing commercial, industrial, residential, or
15 mixed-use areas, whether characterized as shoreline development,
16 villages, hamlets, rural activity centers, or crossroads
17 developments.

18 (A) A commercial, industrial, residential, shoreline, or mixed-
19 use area are subject to the requirements of (d)(iv) of this
20 subsection, but are not subject to the requirements of (c)(ii) and
21 (iii) of this subsection.

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

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

31 (ii) The intensification of development on lots containing, or
32 new development of, small-scale recreational or tourist uses,
33 including commercial facilities to serve those recreational or
34 tourist uses, that rely on a rural location and setting, but that do
35 not include new residential development. A small-scale recreation or
36 tourist use is not required to be principally designed to serve the
37 existing and projected rural population. Public services and public
38 facilities shall be limited to those necessary to serve the
39 recreation or tourist use and shall be provided in a manner that does
40 not permit low-density sprawl;

1 (iii) The intensification of development on lots containing
2 isolated nonresidential uses or new development of isolated cottage
3 industries and isolated small-scale businesses that are not
4 principally designed to serve the existing and projected rural
5 population and nonresidential uses, but do provide job opportunities
6 for rural residents. Rural counties may allow the expansion of small-
7 scale businesses as long as those small-scale businesses conform with
8 the rural character of the area as defined by the local government
9 according to RCW 36.70A.030(23). Rural counties may also allow new
10 small-scale businesses to utilize a site previously occupied by an
11 existing business as long as the new small-scale business conforms to
12 the rural character of the area as defined by the local government
13 according to RCW 36.70A.030(23). Public services and public
14 facilities shall be limited to those necessary to serve the isolated
15 nonresidential use and shall be provided in a manner that does not
16 permit low-density sprawl;

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

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

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

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

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

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

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

14 (a) The transportation element shall include the following
15 subelements:

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

17 (ii) Estimated traffic impacts to state-owned transportation
18 facilities resulting from land use assumptions to assist the
19 department of transportation in monitoring the performance of state
20 facilities, to plan improvements for the facilities, and to assess
21 the impact of land-use decisions on state-owned transportation
22 facilities;

23 (iii) Facilities and services needs, including:

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

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

33 (C) For state-owned transportation facilities, level of service
34 standards for highways, as prescribed in chapters 47.06 and 47.80
35 RCW, to gauge the performance of the system. The purposes of
36 reflecting level of service standards for state highways in the local
37 comprehensive plan are to monitor the performance of the system, to
38 evaluate improvement strategies, and to facilitate coordination
39 between the county's or city's six-year street, road, or transit
40 program and the office of financial management's ten-year investment

1 program. The concurrency requirements of (b) of this subsection do
2 not apply to transportation facilities and services of statewide
3 significance except for counties consisting of islands whose only
4 connection to the mainland are state highways or ferry routes. In
5 these island counties, state highways and ferry route capacity must
6 be a factor in meeting the concurrency requirements in (b) of this
7 subsection;

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

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

14 (F) Identification of state and local system needs to meet
15 current and future demands. Identified needs on state-owned
16 transportation facilities must be consistent with the statewide
17 multimodal transportation plan required under chapter 47.06 RCW;

18 (iv) Finance, including:

19 (A) An analysis of funding capability to judge needs against
20 probable funding resources;

21 (B) A multiyear financing plan based on the needs identified in
22 the comprehensive plan, the appropriate parts of which shall serve as
23 the basis for the six-year street, road, or transit program required
24 by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW
25 35.58.2795 for public transportation systems. The multiyear financing
26 plan should be coordinated with the ten-year investment program
27 developed by the office of financial management as required by RCW
28 47.05.030;

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

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

36 (vi) Demand-management strategies;

37 (vii) Pedestrian and bicycle component to include collaborative
38 efforts to identify and designate planned improvements for pedestrian
39 and bicycle facilities and corridors that address and encourage
40 enhanced community access and promote healthy lifestyles.

1 (b) After adoption of the comprehensive plan by jurisdictions
2 required to plan or who choose to plan under RCW 36.70A.040, local
3 jurisdictions must adopt and enforce ordinances which prohibit
4 development approval if the development causes the level of service
5 on a locally owned transportation facility to decline below the
6 standards adopted in the transportation element of the comprehensive
7 plan, unless transportation improvements or strategies to accommodate
8 the impacts of development are made concurrent with the development.
9 These strategies may include increased public transportation service,
10 ride-sharing programs, demand management, and other transportation
11 systems management strategies. For the purposes of this subsection
12 (6), "concurrent with the development" means that improvements or
13 strategies are in place at the time of development, or that a
14 financial commitment is in place to complete the improvements or
15 strategies within six years. If the collection of impact fees is
16 delayed under RCW 82.02.050(3), the six-year period required by this
17 subsection (6)(b) must begin after full payment of all impact fees is
18 due to the county or city.

19 (c) The transportation element described in this subsection (6),
20 the six-year plans required by RCW 35.77.010 for cities, RCW
21 36.81.121 for counties, and RCW 35.58.2795 for public transportation
22 systems, and the ten-year investment program required by RCW
23 47.05.030 for the state, must be consistent.

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

29 (8) A park and recreation element that implements, and is
30 consistent with, the capital facilities plan element as it relates to
31 park and recreation facilities. The element shall include: (a)
32 Estimates of park and recreation demand for at least a ten-year
33 period; (b) an evaluation of facilities and service needs; and (c) an
34 evaluation of intergovernmental coordination opportunities to provide
35 regional approaches for meeting park and recreational demand.

36 (9) It is the intent that new or amended elements required after
37 January 1, 2002, be adopted concurrent with the scheduled update
38 provided in RCW 36.70A.130. Requirements to incorporate any such new
39 or amended elements shall be null and void until funds sufficient to
40 cover applicable local government costs are appropriated and

1 distributed by the state at least two years before local government
2 must update comprehensive plans as required in RCW 36.70A.130.

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

5 ~~((If adopted by April 1, 2023, amendments to development~~
6 ~~regulations)) Adoption of ordinances, development regulations and
7 amendments to such regulations, and other nonproject actions taken by
8 a city to implement: The actions specified in section 2,
9 chapter . . ., Laws of 2022 (this act) unless the adoption of such
10 ordinances, development regulations and amendments to such
11 regulations, or other nonproject actions has a probable significant
12 adverse impact on fish habitat; and the increased residential
13 building capacity actions identified in RCW 36.70A.600(1) (~~or (4)~~),
14 with the exception of the action specified in RCW 36.70A.600(1)(f),
15 are not subject to administrative or judicial appeals under this
16 chapter.~~

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

19 (1) Project actions described in this section that pertain to
20 residential, multifamily, or mixed-use development evaluated under
21 this chapter by a city or town planning under RCW 36.70A.040 are
22 exempt from appeals under this chapter on the basis of the evaluation
23 of or impacts to the following elements of the environment, provided
24 that the appropriate requirements for a particular element of the
25 environment, as set forth in subsections (2) and (3) of this section,
26 are met.

27 (2)(a) Transportation. A project action pertaining to
28 residential, multifamily, or mixed-use development evaluated under
29 this chapter by a city or town planning under RCW 36.70A.040 is
30 exempt from appeals under this chapter on the basis of the evaluation
31 of or impacts to transportation elements of the environment, so long
32 as ~~((the project does not present significant adverse impacts to the~~
33 ~~state-owned transportation system as determined by the department of~~
34 ~~transportation and)) the project is:~~

35 ~~((a)(i))~~ (i)(A) Consistent with a locally adopted
36 transportation plan; or

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

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

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

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

10 (3)(a) Aesthetics. A project action pertaining to residential,
11 multifamily, or mixed-use development evaluated under this chapter by
12 a city or town planning under RCW 36.70A.040 is exempt from appeals
13 under this chapter on the basis of the evaluation of or impacts to
14 the aesthetics element of the environment, so long as the project is
15 subject to design review pursuant to adopted design review
16 requirements at the local government level.

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

24 (4) For purposes of this section(~~(7, "impacts")):~~

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

28 (b) "Impacts to transportation elements of the environment"
29 include impacts to transportation systems; vehicular traffic;
30 waterborne, rail, and air traffic; parking; movement or circulation
31 of people or goods; and traffic hazards.

32 NEW SECTION. Sec. 5. (1) The legislature recognizes that
33 certain rule-based categorical exemption thresholds to chapter 43.21C
34 RCW, found in WAC 197-11-800, have not been updated in recent years,
35 and should be modified in light of the increased environmental
36 protections in place under chapters 36.70A and 90.58 RCW, the current
37 affordable housing crisis, and other laws. It is the intent of the
38 legislature to direct the department of ecology to conduct expedited

1 rule making to modify the thresholds for the categorical exemptions
2 described under subsection (2) of this section.

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

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

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

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

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

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

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

24 Any applicant whose project qualifies as exempt or categorically
25 exempt under either this chapter or under rules adopted pursuant to
26 this chapter is not required to file an environmental checklist if
27 other information is available to establish that a project qualifies
28 for an exemption.

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