

**SHB 1293 - H AMD 53**

By Representative Peterson

**ADOPTED AS AMENDED 02/28/2023**

1 Strike everything after the enacting clause and insert the  
2 following:

3 **"Sec. 1.** RCW 43.21C.229 and 2020 c 87 s 1 are each amended to  
4 read as follows:

5 (1) (~~In order~~) The purpose of this section is to accommodate  
6 infill and housing development and thereby realize the goals and  
7 policies of comprehensive plans adopted according to chapter 36.70A  
8 RCW(~~(7-a)~~).

9 (2) A city or county planning under RCW 36.70A.040 is authorized  
10 by this section to establish categorical exemptions from the  
11 requirements of this chapter. (~~An exemption adopted under this~~  
12 ~~section applies even if it differs from the categorical exemptions~~  
13 ~~adopted by rule of the department under RCW 43.21C.110(1)(a).~~) An  
14 exemption may be adopted by a city or county under this (~~section~~)  
15 subsection if it meets the following criteria:

16 (a) It categorically exempts government action related to  
17 development proposed to fill in an urban growth area, designated  
18 according to RCW 36.70A.110, where current density and intensity of  
19 use in the area is roughly equal to or lower than called for in the  
20 goals and policies of the applicable comprehensive plan and the  
21 development is either:

- 22 (i) Residential development;
- 23 (ii) Mixed-use development; or
- 24 (iii) Commercial development up to (~~sixty-five thousand~~) 65,000  
25 square feet, excluding retail development;

26 (b) It does not exempt government action related to development  
27 that is inconsistent with the applicable comprehensive plan or would  
28 clearly exceed the density or intensity of use called for in the  
29 goals and policies of the applicable comprehensive plan;

30 (c) The local government considers the specific probable adverse  
31 environmental impacts of the proposed action and determines that  
32 these specific impacts are adequately addressed by the development

1 regulations or other applicable requirements of the comprehensive  
2 plan, subarea plan element of the comprehensive plan, planned action  
3 ordinance, or other local, state, or federal rules or laws; and

4 (d) (i) The city or county's applicable comprehensive plan was  
5 previously subjected to environmental analysis through an  
6 environmental impact statement under the requirements of this chapter  
7 prior to adoption; or

8 (ii) The city or county has prepared an environmental impact  
9 statement that considers the proposed use or density and intensity of  
10 use in the area proposed for an exemption under this section.

11 ~~((2) Any))~~ (3) All project actions that propose to develop one  
12 or more residential housing units within an urban growth area  
13 designated pursuant to RCW 36.70A.110 shall be categorically exempt  
14 from the requirements of this chapter. This categorical exemption  
15 only applies to areas that do not have existing or anticipated  
16 transportation system safety or operational deficiencies. A city or  
17 county must consult with the Washington state department of  
18 transportation to determine if such deficiencies exist. A project  
19 action shall be eligible for categorical exemption under this  
20 subsection only if it meets the following criteria:

21 (a) The proposed development is consistent with all development  
22 regulations implementing an applicable comprehensive plan adopted  
23 according to chapter 36.70A RCW by the jurisdiction in which the  
24 development is proposed, with the exception of any development  
25 regulation that is inconsistent with applicable provisions of chapter  
26 36.70A RCW; and

27 (b) (i) The city or county's applicable comprehensive plan was  
28 previously subjected to environmental analysis through an  
29 environmental impact statement under the requirements of this chapter  
30 prior to adoption; or

31 (ii) The city or county has prepared an environmental impact  
32 statement that considers the proposed use or density and intensity of  
33 use in the area proposed for an exemption under this section and  
34 fully addresses the transportation impacts.

35 (4) Any categorical exemption under this section applies even if  
36 it differs from the categorical exemptions adopted by rule of the  
37 department under RCW 43.21C.110(1)(a). However, any categorical  
38 exemption (~~adopted by a city or county~~) under this section shall be  
39 subject to the rules of the department adopted according to RCW

1 43.21C.110(1)(a) that provide exceptions to the use of categorical  
2 exemptions adopted by the department.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 36.70A  
4 RCW to read as follows:

5 (1) For purposes of this section, "design review" means a  
6 formally adopted local government process by which projects are  
7 reviewed for compliance with design standards for the type of use  
8 adopted through local ordinance.

9 (2) Except as provided in subsection (3) of this section,  
10 counties and cities planning under RCW 36.70A.040 may apply in any  
11 design review process only clear and objective development  
12 regulations governing the exterior design of new development. For  
13 purposes of this section, a clear and objective development  
14 regulation:

15 (a) Must include one or more ascertainable guideline, standard,  
16 or criterion by which an applicant can determine whether a given  
17 building design is permissible under that development regulation; and

18 (b) May not result in a reduction in density, height, bulk, or  
19 scale below the generally applicable development regulations for a  
20 development proposal in the applicable zone.

21 (3) The provisions of subsection (2) of this section do not apply  
22 to development regulations that apply only to structures listed in  
23 the Washington heritage register as described in RCW 27.34.220 or the  
24 national register of historic places as defined in the national  
25 historic preservation act of 1966 (Title 1, Sec. 101, Public Law  
26 89-665; 80 Stat. 915; 16 U.S.C. Sec. 470) as now or hereafter  
27 amended.

28 (4) Any design review process must be conducted concurrently, or  
29 otherwise logically integrated, with the consolidated review and  
30 decision process for project permits set forth in RCW 36.70B.120(3),  
31 and no design review process may include more than one public meeting  
32 within the meaning of RCW 36.70B.020.

33 **Sec. 3.** RCW 36.70B.160 and 1995 c 347 s 420 are each amended to  
34 read as follows:

35 (1) Each local government is encouraged to adopt further project  
36 review provisions to provide prompt, coordinated, and objective  
37 review and ensure accountability to applicants and the public,  
38 including expedited review for project permit applications for

1 projects that are consistent with adopted development regulations or  
2 that include dwelling units that are affordable to low-income or  
3 moderate-income households and within the capacity of systemwide  
4 infrastructure improvements.

5 (2) Nothing in this chapter is intended or shall be construed to  
6 prevent a local government from requiring a preapplication conference  
7 or a public meeting by rule, ordinance, or resolution, where  
8 otherwise required by applicable state law.

9 (3) Each local government shall adopt procedures to monitor and  
10 enforce permit decisions and conditions.

11 (4) Nothing in this chapter modifies any independent statutory  
12 authority for a government agency to appeal a project permit issued  
13 by a local government.

14 (5) For the purposes of this section:

15 (a) A dwelling unit is affordable if it requires payment of  
16 monthly housing costs, including utilities other than telephone, of  
17 no more than 30 percent of the family's income.

18 (b) "Dwelling unit" means a residential living unit that provides  
19 complete independent living facilities for one or more persons and  
20 that includes permanent provisions for living, sleeping, eating,  
21 cooking, and sanitation, and that is sold or rented separately from  
22 other dwelling units.

23 (c) "Low-income household" means a single person, family, or  
24 unrelated persons living together whose adjusted income is less than  
25 80 percent of the median family income, adjusted for household size,  
26 for the county where the household is located, as reported by the  
27 United States department of housing and urban development, or less  
28 than 80 percent of the city's median income if the project is located  
29 in the city, the city has median income of more than 20 percent above  
30 the county median income, and the city has adopted an alternative  
31 local median income.

32 (d) "Moderate-income household" means a single person, family, or  
33 unrelated persons living together whose adjusted income is at or  
34 below 120 percent of the median household income, adjusted for  
35 household size, for the county where the household is located, as  
36 reported by the United States department of housing and urban  
37 development, or less than 120 percent of the city's median income if  
38 the project is located in the city, the city has median income of

1 more than 20 percent above the county median income, and the city has  
2 adopted an alternative local median income."

3 Correct the title.

EFFECT: (1) Establishes that the categorical exemption for housing development in urban growth areas (UGAs) applies to proposed projects that do not have existing or anticipated transportation system safety or operational deficiencies. Requires a city or county to consult with the Washington State Department of Transportation to determine if anticipated transportation system safety or operation deficiencies exist in connection with a proposed project.

(2) Changes the criteria that must be met for a project action to be eligible for a housing development in the UGA categorical exemption: (a) The proposed development is consistent with all development regulations implementing an applicable comprehensive plan adopted by the jurisdiction in which the development is proposed, with the exception of any development regulation that is inconsistent with applicable provisions of the Growth Management Act; (b) the city or county's applicable comprehensive plan was previously subjected to environmental analysis under the State Environmental Policy Act prior to adoption; and (c) the city or county has prepared an environmental impact statement that considers the proposed use or density and intensity of use in the area proposed for an exemption and fully addresses the transportation impacts.

(3) Provides that a clear and objective development regulation for a design review process may not result in a reduction in density, height, bulk, or scale below the generally applicable development regulations for a development proposal in the applicable zone.

(4) Encourages local governments to adopt prompt, coordinated, objective, and expedited review of project permit applications for dwelling units that are affordable to low-income and moderate-income households.

--- END ---