ESSB 6061 - H COMM AMD By Committee on Local Government

## NOT CONSIDERED 03/07/2024

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

3 "Sec. 1. RCW 43.21C.229 and 2023 c 368 s 1 are each amended to 4 read as follows:

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

8 (2) A city or county planning under RCW 36.70A.040 is authorized 9 by this section to establish categorical exemptions from the 10 requirements of this chapter. An exemption may be adopted by a city 11 or county under this subsection if it meets the following criteria:

12 (a) It categorically exempts government action related to 13 development proposed to fill in an urban growth area, designated 14 according to RCW 36.70A.110, where current density and intensity of 15 use in the area is roughly equal to or lower than called for in the 16 goals and policies of the applicable comprehensive plan and the 17 development is either:

18

(i) Residential development;

19 (ii) Mixed-use development; or

20 (iii) Commercial development up to 65,000 square feet, excluding 21 retail development;

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

(c) The local government considers the specific probable adverse environmental impacts of the proposed action and determines that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan, subarea plan element of the comprehensive plan, planned action ordinance, or other local, state, or federal rules or laws; and

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1 (d)(i) The city or county's applicable comprehensive plan was 2 previously subjected to environmental analysis through an 3 environmental impact statement under the requirements of this chapter 4 prior to adoption; or

5 (ii) The city or county has prepared an environmental impact 6 statement that considers the proposed use or density and intensity of 7 use in the area proposed for an exemption under this section.

8 (3) ((All project actions that propose to develop one or more residential housing units within the incorporated areas in an urban 9 10 growth area designated pursuant to RCW 36.70A.110 or middle housing within the unincorporated areas in an urban growth area designated 11 pursuant to RCW 36.70A.110, and that meet the criteria identified in 12 13 (a) and (b) of this subsection, are categorically exempt from the requirements of this chapter. For purposes of this section, "middle 14 housing" has the same meaning as in RCW 36.70A.030 as amended by 15 chapter 332, Laws of 2023. Jurisdictions shall satisfy the following 16 criteria prior to the adoption of the categorical exemption under 17 18 this subsection (3):

19 (a) The city or county shall find that the proposed development 20 is consistent with all development regulations implementing an 21 applicable comprehensive plan adopted according to chapter 36.70A RCW 22 by the jurisdiction in which the development is proposed, with the 23 exception of any development regulation that is inconsistent with 24 applicable provisions of chapter 36.70A RCW; and

(b) The city or county has prepared environmental analysis that considers the proposed use or density and intensity of use in the area proposed for an exemption under this section and analyzes multimodal transportation impacts, including impacts to neighboring jurisdictions, transit facilities, and the state transportation system.

31 (i) Such environmental analysis shall include documentation that the requirements for environmental analysis, protection, and 32 mitigation for impacts to elements of the environment have been 33 adequately addressed for the development exempted. The requirements 34 35 may be addressed in locally adopted comprehensive plans, subarea plans, adopted development regulations, other applicable local 36 ordinances and regulations, or applicable state and federal 37 38 regulations. The city or county must document its consultation with the department of transportation on impacts to state-owned 39

1 transportation facilities including consideration of whether 2 mitigation is necessary for impacts to transportation facilities.

(ii) Before finalizing the environmental analysis pursuant to 3 (b) (i) of this subsection (3), the city or county shall provide a 4 minimum of 60 days' notice to affected tribes, relevant state 5 6 agencies, other jurisdictions that may be impacted, and the public. If a city or county identifies that mitigation measures are necessary 7 to address specific probable adverse impacts, the city or county must 8 address those impacts by requiring mitigation identified in the 9 10 environmental analysis pursuant to this subsection (3) (b) through locally adopted comprehensive plans, subarea plans, development 11 regulations, or other applicable local ordinances and regulations. 12 Mitigation measures shall be detailed in an associated environmental 13 14 determination.

15 (iii) The categorical exemption is effective 30 days following 16 action by a city or county pursuant to (b)(ii) of this subsection 17 (3).

(4) Until September 30, 2025, all project actions that propose to 18 develop one or more residential housing or middle housing units 19 within a city west of the crest of the Cascade mountains with a 20 21 population of 700,000 or more are categorically exempt from the requirements of this chapter. After September 30, 2025, project 22 actions that propose to develop one or more residential housing or 23 24 middle housing units within the city may utilize the categorical 25 exemption in subsection (3) of this section.

26 (5)) Any categorical exemption adopted by a city or county under 27 this section applies even if it differs from the categorical 28 exemptions adopted by rule of the department under RCW 29 43.21C.110(1)(a). Nothing in this section shall invalidate 30 categorical exemptions or environmental review procedures adopted by 31 a city or county under a planned action pursuant to RCW 43.21C.440. 32 However, any categorical exemption adopted by a city or county under this section shall be subject to the rules of the department adopted 33 34 according to RCW 43.21C.110(1)(a) that provide exceptions to the use of categorical exemptions adopted by the department. 35

36 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.21C 37 RCW to read as follows:

1 (1) The purpose of this section is to accommodate housing 2 development and thereby realize the goals and policies of 3 comprehensive plans adopted according to chapter 36.70A RCW.

(2) All project actions that propose to develop one or more 4 residential housing units within the incorporated areas in an urban 5 6 growth area designated pursuant to RCW 36.70A.110 or middle housing within the unincorporated areas in an urban growth area designated 7 pursuant to RCW 36.70A.110, and that meet the criteria identified in 8 (a) through (c) of this subsection, are categorically exempt from the 9 requirements of this chapter. Jurisdictions shall satisfy the 10 11 following criteria prior to the adoption of this categorical 12 exemption:

(a) The city or county has determined that the proposed development is consistent with all development regulations implementing an applicable comprehensive plan adopted according to chapter 36.70A RCW by the jurisdiction in which the development is proposed, with the exception of any development regulation that is inconsistent with applicable provisions of chapter 36.70A RCW;

(b) The city or county has determined the proposed development is capable of being connected to an established sewer system at the time of construction; and

(c) The city or county has prepared an environmental analysis that considers the proposed use or density and intensity of use in the jurisdiction's comprehensive plan under this section and an analysis of multimodal transportation impacts, including impacts to neighboring jurisdictions, transit facilities, and the state transportation system.

28 (i) Such an environmental analysis must include documentation that the requirements for environmental analysis, protection, and 29 mitigation for impacts to elements of the environment have been 30 31 adequately addressed for the development exempted. The requirements 32 may be addressed in locally adopted comprehensive plans, subarea plans, adopted development regulations, other applicable local 33 ordinances and regulations, or applicable state and federal 34 regulations. The city or county must document its consultation with 35 36 the department of transportation on impacts to state-owned transportation facilities, including consideration of 37 whether mitigation is necessary for impacts to transportation facilities. 38

39 (ii) Before finalizing the environmental analysis pursuant to 40 (c)(i) of this subsection, the city or county shall provide a minimum Code Rev/ML:jlb 4 H-3385.2/24 2nd draft

1 of 60 days' notice to affected tribes, relevant state agencies including, but not limited to, the department of archaeology and 2 historic preservation to review and provide comment on implications 3 for cultural resources, other jurisdictions that may be impacted, and 4 the public. If a city or county identifies that mitigation measures 5 6 are necessary to address specific probable adverse impacts, the city 7 or county must address those impacts by requiring mitigation identified in the environmental analysis pursuant to this subsection 8 (2) (c) through locally adopted comprehensive plans, subarea plans, 9 development regulations, or other applicable local ordinances and 10 regulations. Mitigation measures must be detailed in an associated 11 environmental determination. 12

13 (iii) The categorical exemption is effective 30 days following 14 action by a city or county pursuant to (c)(ii) of this subsection.

15 (d) A city or county must take action to establish the 16 categorical exemption within two years of the date for review and, if 17 needed, revision of comprehensive plans and development regulations 18 required in RCW 36.70A.130(5).

(3) Until September 30, 2025, all project actions that propose to 19 develop one or more residential housing or middle housing units 20 21 within a city west of the crest of the Cascade mountains with a population of 700,000 or more are categorically exempt from the 22 requirements of this chapter. After September 30, 2025, project 23 actions that propose to develop one or more residential housing or 24 25 middle housing units within the city must utilize the categorical exemption in subsection (2) of this section. 26

27 (4) Any categorical exemption adopted by a city or county under this section applies even if it differs from the categorical 28 exemptions adopted by rule of the department of ecology under RCW 29 43.21C.110(1)(a). Nothing in this section invalidates categorical 30 31 exemptions or environmental review procedures adopted by a city or 32 county under a planned action pursuant to RCW 43.21C.440. However, any categorical exemption under this section is subject to the rules 33 of ecology adopted according 34 of the department to RCW 43.21C.110(1)(a) that provide exceptions to the use of categorical 35 36 exemptions adopted by the department of ecology.

37 (5) For purposes of this section, "middle housing" has the same 38 meaning as defined in RCW 36.70A.030."

39 Correct the title.

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EFFECT: (1) Removes the requirement that an environmental analysis for a proposed development include documentation that the requirements for analysis and protection of cultural resources and any required mitigation have been adequately addressed.

(2) Specifies that, before an environmental analysis is finalized, the department of archaeology and historic preservation must review and provide comment on the implications of the project for cultural resources.

(3) Changes the timeline for a jurisdiction to take action to establish the categorical exemption for a proposed housing development to within two years of the date for review or revision of the jurisdiction's comprehensive plan.

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