

PACIFIC CITY COUNCIL AGENDA Council Chambers - City Hall. 100 3rd Ave. SE

June 5, 2023 Monday

Committee of the Whole Meeting 6:30 p.m.

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
- 2. ROLL CALL OF COUNCIL MEMBERS
- 3. ADDITIONS TO/APPROVAL OF AGENDA
- 4. DISCUSSION
 - A. PARK BOARD
 - B. PUBLIC SAFETY
 - 1. Helmets
 - C. COMMUNITY DEVELOPMENT
 - 1. Legislative Updates
- 5. ADJOURN

(02)



2023 LEGISLATIVE UPDATE – THE YEAR OF HOUSING

June 5, 2023

DEPARTMENT OF COMMUNITY DEVELOPMENT

Mark Newman, AICP – Community Development Director

BILLS SIGNED INTO LAW:

EFFECTIVE JULY 23, 2023

- HB III0 Missing Middle Housing (signed May 8, 2023)
- HB 1042 Internal ADUs (signed May 4, 2023)
- HB 1337 ADUs per Lot (signed May 8, 2023)
- SB 5258 Condominiumization (signed May 8, 2023)
- SB 5058 Condo Definition (signed May 4, 2023)
- HB 1181- Climate Change in GMA (signed May 3, 2023)

HB III0 (MISSING MIDDLE HOUSING)

- Aims to increase middle housing in areas traditionally dedicated to single-family detached housing, in order to meet the goal of 1,000,000 new homes in the state by 2044.
- Will allow duplexes in all single-family zoning in the City of Pacific.
 - Does not waive critical area, lot coverage, setbacks, OSS, and stormwater regulations.
 - Requires 2 off-street parking spaces per unit on lots 6,000SF or greater.
 - Must go into effect six months after the City's next periodic comprehensive plan update, i.e. in June 2025.



HB III0 (MISSING MIDDLE HOUSING) (EXEMPTIONS)

- Homeowner associations and other "common interest communities" that have internal contracts or documents governing their zoning rules. Common interest communities include both large planned unit developments and smaller subdivisions and condos.
- Homeowner associations and common interest communities have preexisting, legally binding contracts regarding their zoning rules, and the Legislature can't change those.
- The bill does explicitly bar homeowner associations from making new contracts or agreements to try to prohibit duplexes and other kinds of middle housing. But it only applies to future agreements after the law becomes effective. It is silent on preexisting agreements.
- And, because the law is scheduled to go into effect in mid-July, there could still be about three months for enterprising homeowner associations to enact new restrictions to limit middle housing.

Source: Seattle Times: WA's New Ban on Single-Family Zoning Exempts Some of Seattle's Wealthiest Neighborhoods

HB III0 (MISSING MIDDLE HOUSING) (EXTENSIONS)

Extensions. Cities may apply for extensions of the timelines established. Extensions may only be applied to specific areas where a city can demonstrate that water, sewer, or stormwater services lack capacity to accommodate the increased density (concurrency), and the city has:

• Included an improvement within its capital facilities plan to increase capacity; or identified which special district is responsible for providing the necessary infrastructure, if the infrastructure is provided by a special purpose district.

A granted extension remains in effect until one of the following occurs:

- The infrastructure is improved to accommodate the capacity;
- The city completes its next periodic comprehensive plan update; or the city submits its next fiveyear implementation progress report for their comprehensive plan.

HB III0 REQUIRED CODE CHANGES

Chapter 20.40 RS – SINGLE-FAMILY RESIDENTIAL DISTRICTS

Sections:

20.40.010 Description and purpose.

20.40.020 Permitted buildings and uses.

20.40.030 Buildings and uses permitted conditionally.

20.40.040 Principal building development standards – Lot area, lot width, yard setbacks, building lot coverage and building height.

20.40.050 Accessory building development standards – Yard setbacks, lot coverage and building height.

20.40.060 Parking.

20.40.070 Repealed.

20.40.080 Repealed.

20.40.090 Repealed.

20.40.100 Repealed.

20.40.110 Signs.

20.40.120 Recodified.

20.40.010 Description and purpose. SHARE

The RS single-family residential districts are intended for medium density, urban single-family residential use. A stable and healthful environment, together with the full range of urban services, makes this the most important land use of the community. (Ord. 1488 § 1, 2001; Ord. 485 § 4.01, 1971).

- C. Agricultural uses, limited to the following:
 - 1. Berry and bush crops;
 - 2. Flower gardening;
 - 3. Orchards, tree crops, the raising and harvesting of;
 - 4. Truck gardening, the raising and harvesting of vegetables for home consumption;

D. DUPLEXES

- DE. Churches, subject to PMC 20.68.660;
- **EF**. Electric vehicle infrastructure, levels 1 and 2 only, subject to the provisions of Chapter 20.76 PMC;
- FG. Family day care;
- GH. Home occupations, subject to PMC 20.68.180;
- HI. Parks, private and public, playgrounds, golf courses, driving ranges, or community centers, subject to PMC 20.68.670;
- JK. Utility or Public Maintenance Facilities 1 and 2. Rear and side yards for these uses shall be a minimum of 25 feet in width. Any outside storage shall be screened by 20 feet of Type I landscaping and by building/s located onsite.

20.72.130 Parking spaces required. □ SHARE

The number of off-street parking spaces required shall be no less than as set forth in the following:

Use Residential Types	Parking Space Required
A. Dwelling, single-family	Two for each dwelling unit on a single lot, plus one additional space required for each employee or contractor working within the dwelling more than 20 hours per week for a period exceeding 60 days, who are not residents of the dwelling.
B(i). Dwellings, two-family <u>DUPLEX</u> -or (ii). multiple <u>MULTIPLE</u>	Two for each dwelling unit ON A SINGLE LOT 6,000SF IN LOT AREA AND OVER TWO FOR EACH DWELLING UNIT where fractioned, next highest full unit

HB 1042 (INTERNAL ADUS)

Concerning the use of existing buildings for residential purposes. The bill prohibits cities from imposing certain restrictions on new housing units constructed within an existing building envelope that is located in a zone that permits multifamily housing.

Cities cannot add permit conditions, such as requiring:

- Additional off-street parking
- A traffic study
- Design standards, setbacks, FAR, lot coverage, height,
- Energy Code updates to entire building
- Fixing legal-nonconformities
- A traffic study



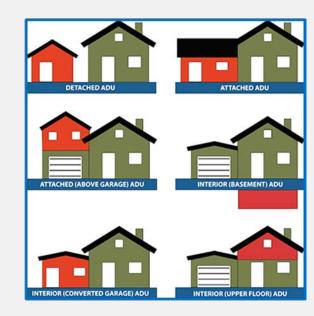
HB 1337 (ADUS)

- Requires the City of Pacific to allow accessory dwelling units (ADUs) in residential zones by right.
 HB 1337 also prohibits certain restrictive ADU regulations.
- Allows two ADUs per residential lot, i.e. 3 dwelling units total per lot.
 - One attached accessory dwelling unit and one detached accessory dwelling unit (DADU);
 - Two attached accessory dwelling units; or
 - Two detached accessory dwelling units, which may be comprised of either one or two detached structures.
- Prevents cities from circumventing this law through burdensome regulations on floor area ratio, setbacks, design standards, etc.
- The city or county must allow a minimum ADU size of 1,000SF.
- The city must cap impact fees at 50% of that of a new SFR/principal unit.
- The city cannot require the property owner to live on site and/or reside in either the primary residence or ADU.
- If the lot becomes condominiumized, the deed restriction for the ADU must be removed, i.e. the ADU can be sold separately as a condo.



HB 1337 (ADUS) (CONTINUED)

- The city may not establish roof height limits on an accessory dwelling unit of less than 24 feet, unless the height limitation that applies to the principal unit is less than 24 feet, i.e. principal structure and ADU must have same height limits.
- The city may not impose setback requirements, yard coverage limits, tree retention mandates, restrictions on entry door locations, aesthetic requirements, or requirements for design review for accessory dwelling units that are more restrictive than those for principal units.
- The city must allow detached accessory dwelling units to be sited at a lot line if the lot line abuts a public alley unless the city plows snow on the public alley.
- HB 1337 does **NOT** waive critical area, lot coverage, setbacks, OSS, and stormwater regulations. ADUs **can be prohibited** on lots served by OSS and are not connected to SS.
- The city cannot require public street improvements to be made as a condition of permitting an ADU.
- By December 31, 2023, the City must revise its recommendations for encouraging accessory dwelling units to include the provisions of sections 3 and 4 of this act.
- This law must go into effect six months after its next periodic comprehensive plan update, i.e by June 2025.



HB 1042 (INTERNAL ADUS) HB 1337 (ADUS) REQUIRED CODE CHANGES

20.92.010 Purpose. ☐ SHARE

The purpose of this chapter is to:

- A. Create affordable housing units;
- B. Allow related people to live in close proximity while maintaining separate dwelling units;
- C. Provide homeowners with a means of companionship and security;
- D. Provide increased choice of housing for a variety of lifestyles, including young families and retirees;
- E. Increase density in order to better utilize existing streets, utilities, transit, and other public infrastructure; and
- F. Ensure that accessory dwelling units (ADUs) are designed so as not to destabilize neighborhoods or lower property values. (Ord. 1894 § 1, 2015; Ord. 1504 § 1, 2001).
- G. AMEND DESIGN AND DEVELOPMENT STANDARDS FOR ACCESSORY DWELLING UNITS, AS OUTLINED IN HB 1337.

HB 1042 (INTERNAL ADUS) HB 1337 (ADUS)

REQUIRED CODE CHANGES (CONTINUED)

20.92.054 Neighborhood notification.

Prior to issuance of the final decision on an ADU application, the city shall notify the neighbors within 300 feet (plus any right-of-way widths, with the exception of SR 167) of the proposed ADU site. The applicant shall supply the names and addresses of all legal property owners as listed in either the King County or Pierce County assessor's offices. The applicant shall supply the necessary envelopes and stamps for the notification of adjacent property owners. (Ord. 1894 § 3, 2015; Ord. 1558 § 1, 2003).

20.92.058 Accessory dwelling unit built within existing accessory building. SHARE

An accessory dwelling unit may be built within or added to any existing accessory building built prior to July 31, 2001; provided, that the existing accessory building is set back at least five feet from the rear and side property line of the subject lot. In addition, any expansion to the foundation of the existing accessory building must conform to the setback requirements pertaining to the principal building. No accessory dwelling unit may be built within or added to any existing accessory building under this section unless it also complies with all of the requirements for accessory dwelling units in this chapter. (Ord. 1952 § 28, 2017).

20.92.060 Design standards.[□] SHARE

Accessory dwelling units shall meet the following standards for approval:

- A. Be on the same lot as a larger, principal dwelling unit, whether attached to it or detached;
- B. The size of an attached or detached ADU shall meet all of the following requirements:
 - 1. Contain no more than 45 percent of the floor area of the principal dwelling if located in the principal residence. Garage and staircase areas shall not be included in the calculations.
 - 2. Shall be no more than 800 square feet if detached from the principal dwelling and located within the RS-6 (single-family residential, 6,000 square feet) zoning district.
 - 3. Shall be no more than 1,000 AT LEAST A MINIMUM SIZE OF 1,000 square feet, if detached from the principal dwelling and located within the RS-11 (single-family residential, 11,000 square feet) zoning district.
 - 4. If attached to the principal dwelling, the ADU shall be no greater than 45 percent of the principal dwelling or have a floor area of 800 square feet whichever is the smaller area;

- C. Be equipped with two off-street parking spaces if the <u>DETACHED</u> ADU has two bedrooms <u>ON A LOT GREATER THAN 6,000 SQUARE FEET</u> and one off-street parking space if the <u>DETACHED</u> ADU has one bedroom or it is a studio ADU <u>ON A LOT LESS THAN 6,000 SQUARE FEET</u>. These spaces shall be in addition to the spaces required for the principal dwelling unit;
- D. Be allowed only so long as the owner or contract purchaser of the lot resides in the accessory or principal dwelling unit;
- ED. Meet all building, electrical, fire, plumbing and other applicable code requirements;
- F. Be designed to maintain the appearance of the existing single-family residence;
- G. Be consistent with the color, roof pitch, siding and windows of the principal residence, whether the accessory dwelling unit is attached or detached;
- H. The ADU entrances shall be on the side or rear of the building, not visible from the street;
- IE. The maximum height of an ADU shall be THAT OF THE PRIMARY RESIDENCE OR A MAXIMUM OF 24" 25 feet. (Ord. 1894 § 7, 2015; Ord. 1504 § 1, 2001).
- F. NO MORE THAN TWO ACCESSORY DWELLING UNITS, IN ADDITION TO THE PRINCIPAL UNIT, SHALL BE ALLOWED ON A LOT OF 2,000 SQUARE FEET OR LESS.

20.92.070 Deed restriction. SHARE

The property owner shall record with the appropriate county recording office a notarized deed restriction. Such deed restriction shall be in a form specified by the director, and shall include the restrictions and limitations contained in this chapter and any further conditions attached to the accessory dwelling unit permit. The property owner shall submit proof that the deed restriction has been recorded prior to issuance of a certificate of occupancy. (Ord. 1894 § 8, 2015; Ord. 1504 § 1, 2001).

THE DEED RESTRICTION, ALSO KNOWN AS A NOTICE ON TITLE, SHALL REMAIN IN EFFECT, UNLESS THE PROPERTY IS SUBDIVIDED OR CONDOMINIUMIZED.

SB 5258 (CONDO SUPPLY)

The goal of SB 5258 is to increase the supply and affordability of condominium units, cottages, and townhouses as an option for homeownership.

Condominium reform unlocks the potential for other housing efforts. There is systemic litigation for condominium construction that are not seen in other construction projects due to the complexities of statutory warranties. Clarification of the right to cure and exclusion from the statutory warranty should be adopted. This bill will incentivize condo owners to work with builder to get to a solution that works for both. This bill will protect consumers and encourage first time home buyers by waiving excise taxes, reducing impact fees, and rolling back some of the red tape to build them.



SB 5058 (CONDO DEFINITION)

- Exempting buildings with 12 or fewer units that are no more than two stories from the definition of multiunit residential building.
- Senate Bill 5058, sponsored by Sen. Mike Padden, D-Spokane, would exempt buildings with 12 or fewer units that are no more than two stories high from the definition of "multiunit residential building," essentially bringing regulations for small condo buildings in line with those for townhouses or single-family homes.

2050 GROWTH TARGETS FOR PACIFIC

POPULATION	2020 ACTUAL	2050 TARGET	+Change	%Change
	7,235	7,586	+351*	4.85%

HOUSING	2018 ACTUAL	2050 TARGET	+Change	%Change
	2,462	2,597	+135*	5.48%

EMPLOYMENT	2018 ACTUAL	2050 TARGET	+Change	%Change
	2,839	3,552	+713	25.11%

^{*}Denotes growth in King County only. Pierce County target set to 0.

HB I 181 (CLIMATE CHANGE IN GMA)

HB I181's goal is improving the state's response to climate change by updating the state's planning framework. This bill would add Climate Change and Resiliency as the I4thth goal of the GMA. It could be added as an element to a city's comprehensive plan plus or woven into the fabric of other elements. It must also be incorporated into other City long-range plans (sewer, water, transportation, capital facilities, etc.)

The City needs to prepare and adopt a climate change and resiliency element designed to result in reductions in overall greenhouse gas emissions and addresses resiliency to avoid the adverse impacts of climate change, which must include efforts to reduce localized greenhouse gas emissions and avoid creating or worsening localized climate impacts to vulnerable populations and overburdened communities. The plan must included long-range targets, projections, and modeling scenarios.

The Department of Commerce shall first publish the full set of guidelines no later than December 31, 2025. Meaning this would not go into effect until the next Comprehensive Plan Update in 2032.

Comprehensive Plan Chapters

Table of Contents

Chapter 1 Introduction

Chapter 2 Comprehensive Plan: Land Use

BERK Consultants Land Capacity Technical Memo

Chapter 3 Comprehensive Plan: Natural Environment

Lower White River Biodiversity Management Area (BMA) Stewardship Plan

CHAPTER 4 CLIMATE CHANGE

Chapter-45 Community Character

Chapter 56 Comprehensive Plan: Housing

Chapter 67 Economic Development

Chapter 78 Park, Open Space, Recreation & Trails

Chapter 89 Comprehensive Plan: Transportation Plan

Chapter 910 Comprehensive Plan: Utilities

Chapter 110 Comprehensive Plan: Capital Facilities

CIP TABLES

Sumner-Pacific MIC Subarea Plan

HB | | 18 | (CLIMATE CHANGE UPDATES REQUIRED)

Climate change and resiliency

Ensure that comprehensive plans, development regulations, and regional policies, plans, and strategies adapt to and mitigate the effects of a changing climate; support reductions in greenhouse gas emissions and per capita vehicle miles traveled; prepare for climate impact scenarios; foster resiliency to climate impacts and natural hazards; protect and enhance environmental, economic, and human health and safety; and advance environmental justice.

Transportation

- Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled.
- Inform the development of a transportation element that balances transportation system safety and convenience to accommodate all users of the transportation system to safely, reliably, and efficiently provide access and mobility to people and goods. Priority must be given to inclusion of transportation facilities and services providing the greatest multimodal safety benefit to each category of roadway users for the context and speed of the facility;
- An active transportation component must be added to include collaborative efforts to identify and designate planned improvements for
 active transportation facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.
- If LOS fails in a traffic study due to a new development proposal, mitigation can be provided through active transportation, ride-share, vanpools, TDM, etc.

ADA

A transition plan for transportation is required in Title II of the Americans with disabilities act of 1990 (ADA). As a necessary step to a program access plan to provide accessibility under the ADA, state and local government, public entities, and public agencies are required to perform self-evaluations of their current facilities, relative to accessibility requirements of the ADA. The agencies are then required to develop a program access plan, which can be called a transition plan, to address any deficiencies.

Land Use/Wildfires

The land use element must reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools, which may include adoption of portions or all of the wildland urban interface code developed by the international code council or developing building and maintenance standards consistent with the firewise USA program or similar program designed to reduce wildfire risk, reducing wildfire risks to residential development in high risk areas and the wildland urban interface area, separating human development from wildfire prone landscapes, and protecting existing residential development and infrastructure through community wildfire preparedness and fire adaptation measures.



THANK YOU

I am happy to answer any questions at this time.

I will provide Council updates as we learn more from the MSRC, King County Planning Directors Group, and the Department of Commerce.



CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1110

Chapter 332, Laws of 2023

68th Legislature 2023 Regular Session

GROWTH MANAGEMENT ACT—MINIMUM DEVELOPMENT DENSITIES IN RESIDENTIAL ZONES

EFFECTIVE DATE: July 23, 2023

Passed by the House April 18, 2023 Yeas 79 Nays 18

LAURIE JINKINS

Speaker of the House of Representatives

Passed by the Senate April 11, 2023 Yeas 35 Nays 14

DENNY HECK

Approved May 8, 2023 1:11 PM

President of the Senate

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1110 as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 10, 2023

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1110

AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

State of Washington

68th Legislature

2023 Regular Session

By House Appropriations (originally sponsored by Representatives Bateman, Barkis, Reed, Taylor, Riccelli, Berry, Fitzgibbon, Peterson, Duerr, Lekanoff, Alvarado, Street, Ryu, Ramel, Cortes, Doglio, Macri, Mena, Gregerson, Thai, Bergquist, Farivar, Wylie, Stonier, Pollet, Santos, Fosse, and Ormsby)

READ FIRST TIME 02/24/23.

- AN ACT Relating to creating more homes for Washington by increasing middle housing in areas traditionally dedicated to single-family detached housing; amending RCW 36.70A.030, 36.70A.280, 43.21C.495, and 43.21C.450; adding new sections to chapter 36.70A RCW; adding a new section to chapter 64.34 RCW; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.90 RCW; and creating new sections.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 9 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that Washington is facing an unprecedented housing crisis for its current population and a lack of housing choices, and is not likely to meet the affordability goals for future populations. In order to meet the goal of 1,000,000 new homes by 2044, and enhanced quality of life and environmental protection, innovative housing policies will need to be adopted.
- Increasing housing options that are more affordable to various income levels is critical to achieving the state's housing goals, including those codified by the legislature under chapter 254, Laws of 2021.
- There is continued need for the development of housing at all income levels, including middle housing that will provide a wider

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variety of housing options and configurations to allow Washingtonians to live near where they work.

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Homes developed at higher densities are more affordable by design for Washington residents both in their construction and reduced household energy and transportation costs.

While creating more housing options, it is essential for cities to identify areas at higher risk of displacement and establish antidisplacement policies as required in Engrossed Second Substitute House Bill No. 1220 (chapter 254, Laws of 2021).

The state has made historic investments in subsidized affordable housing through the housing trust fund, yet even with these historic investments, the magnitude of the housing shortage requires both public and private investment.

In addition to addressing the housing shortage, allowing more housing options in areas already served by urban infrastructure will reduce the pressure to develop natural and working lands, support key strategies for climate change, food security, and Puget Sound recovery, and save taxpayers and ratepayers money.

- 19 **Sec. 2.** RCW 36.70A.030 and 2021 c 254 s 6 are each amended to 20 read as follows:
- Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
- (1) "Administrative design review" means a development permit 23 24 process whereby an application is reviewed, approved, or denied by the planning director or the planning director's designee based 25 solely on objective design and development standards without a public 26 predecision hearing, unless such review is otherwise required by 27 state or federal law, or the structure is a designated landmark or 28 historic district established under a local preservation ordinance. A 29 city may utilize public meetings, hearings, or voluntary review 30 31 boards to consider, recommend, or approve requests for variances from locally established design review standards. 32
- 33 <u>(2)</u> "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.
- (((2))) <u>(3)</u> "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed thirty percent of the monthly income of a household whose income is:

1 (a) For rental housing, sixty percent of the median household 2 income adjusted for household size, for the county where the 3 household is located, as reported by the United States department of 4 housing and urban development; or

- (b) For owner-occupied housing, eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
- (((3))) <u>(4)</u> "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.
- $((\frac{4}{}))$ (5) "City" means any city or town, including a code city.
- $((\frac{(5)}{(5)}))$ (6) "Comprehensive land use plan," "comprehensive plan," 18 or "plan" means a generalized coordinated land use policy statement 19 of the governing body of a county or city that is adopted pursuant to 20 this chapter.
 - (((6))) <u>(7)</u> "Cottage housing" means residential units on a lot with a common open space that either: (a) Is owned in common; or (b) has units owned as condominium units with property owned in common and a minimum of 20 percent of the lot size as open space.
 - (8) "Courtyard apartments" means up to four attached dwelling units arranged on two or three sides of a yard or court.
 - (9) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.
 - $((\frac{7}{10}))$ "Department" means the department of commerce.
 - (((8))) <u>(11)</u> "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls,

planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

- $((\frac{(9)}{(9)}))$ (12) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.
- (((10))) (13) "Emergency shelter" means a facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.
- (((11))) <u>(14)</u> "Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below thirty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
- ((\(\frac{(12\)}{12\)}\)) (15) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

- (((13))) (16) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.
- $((\frac{14}{1}))$ <u>(17)</u> "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.
- (((15))) <u>(18)</u> "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.
 - $((\frac{16}{10}))$ (19) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
 - $((\frac{17}{17}))$ (20) "Major transit stop" means:
- 27 <u>(a) A stop on a high capacity transportation system funded or</u> 28 <u>expanded under the provisions of chapter 81.104 RCW;</u>
 - (b) Commuter rail stops;

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- 30 (c) Stops on rail or fixed guideway systems; or
- 31 (d) Stops on bus rapid transit routes.
- 32 (21) "Middle housing" means buildings that are compatible in 33 scale, form, and character with single-family houses and contain two 34 or more attached, stacked, or clustered homes including duplexes, 35 triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked 36 flats, courtyard apartments, and cottage housing.
- 37 <u>(22)</u> "Minerals" include gravel, sand, and valuable metallic 38 substances.
- $((\frac{(18)}{(18)}))$ <u>(23)</u> "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is

at or below 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

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 $((\frac{19}{19}))$ <u>(24)</u> "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with onsite or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and responsibilities defined in chapter 59.18 RCW.

(((20))) <u>(25)</u> "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

 $((\frac{(21)}{(21)}))$ <u>(26)</u> "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

 $((\frac{(22)}{(22)}))$ "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

 $((\frac{(23)}{(28)}))$ "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

- (a) In which open space, the natural landscape, and vegetation predominate over the built environment;
- 39 (b) That foster traditional rural lifestyles, rural-based 40 economies, and opportunities to both live and work in rural areas;

- 1 (c) That provide visual landscapes that are traditionally found 2 in rural areas and communities;
- 3 (d) That are compatible with the use of the land by wildlife and 4 for fish and wildlife habitat;
- 5 (e) That reduce the inappropriate conversion of undeveloped land 6 into sprawling, low-density development;

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- (f) That generally do not require the extension of urban governmental services; and
- 9 (g) That are consistent with the protection of natural surface 10 water flows and groundwater and surface water recharge and discharge 11 areas.
 - ((\(\frac{(24)}{)}\)) (29) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.
 - (((25))) (30) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems((τ)) and fire and police protection services((τ)) associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).
- $((\frac{(26)}{(26)}))$ (31) "Short line railroad" means those railroad lines designated class II or class III by the United States surface transportation board.
- 33 (((27))) <u>(32) "Single-family zones" means those zones where</u> 34 single-family detached housing is the predominant land use.
- 35 (33) "Stacked flat" means dwelling units in a residential 36 building of no more than three stories on a residential zoned lot in 37 which each floor may be separately rented or owned.
- 38 (34) "Townhouses" means buildings that contain three or more 39 attached single-family dwelling units that extend from foundation to 40 roof and that have a yard or public way on not less than two sides.

(35) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

(((28))) (36) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

 $((\frac{(29)}{(29)}))$ <u>(37)</u> "Urban growth areas" means those areas designated 22 by a county pursuant to RCW 36.70A.110.

(((30))) (38) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below fifty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

((\(\frac{(31)}{)}\)) (39) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road,

- 1 street, or highway. Wetlands may include those artificial wetlands
- 2 intentionally created from nonwetland areas created to mitigate
- 3 conversion of wetlands.

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- 4 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 36.70A 5 RCW to read as follows:
 - (1) Except as provided in subsection (4) of this section, any city that is required or chooses to plan under RCW 36.70A.040 must provide by ordinance and incorporate into its development regulations, zoning regulations, and other official controls, authorization for the following:
- 11 (a) For cities with a population of at least 25,000 but less than 12 75,000 based on office of financial management population estimates:
 - (i) The development of at least two units per lot on all lots zoned predominantly for residential use, unless zoning permitting higher densities or intensities applies;
 - (ii) The development of at least four units per lot on all lots zoned predominantly for residential use, unless zoning permitting higher densities or intensities applies, within one-quarter mile walking distance of a major transit stop; and
- 20 (iii) The development of at least four units per lot on all lots 21 zoned predominantly for residential use, unless zoning permitting 22 higher densities or intensities applies, if at least one unit is 23 affordable housing.
 - (b) For cities with a population of at least 75,000 based on office of financial management population estimates:
 - (i) The development of at least four units per lot on all lots zoned predominantly for residential use, unless zoning permitting higher densities or intensities applies;
- 29 (ii) The development of at least six units per lot on all lots 30 zoned predominantly for residential use, unless zoning permitting 31 higher densities or intensities applies, within one-quarter mile 32 walking distance of a major transit stop; and
 - (iii) The development of at least six units per lot on all lots zoned predominantly for residential use, unless zoning permitting higher densities or intensities applies, if at least two units are affordable housing.
- 37 (c) For cities with a population of less than 25,000, that are 38 within a contiguous urban growth area with the largest city in a 39 county with a population of more than 275,000, based on office of

financial management population estimates the development of at least two units per lot on all lots zoned predominantly for residential use, unless zoning permitting higher densities or intensities applies.

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- To qualify for the additional units allowed under 5 (2) (a) 6 subsection (1) of this section, the applicant must commit to renting or selling the required number of units as affordable housing. The 7 units must be maintained as affordable for a term of at least 50 8 years, and the property must satisfy that commitment and all required 9 affordability and income eligibility conditions adopted by the local 10 11 government under this chapter. A city must require the applicant to 12 record a covenant or deed restriction that ensures the continuing rental of units subject to these affordability requirements 13 consistent with the conditions in chapter 84.14 RCW for a period of 14 no less than 50 years. The covenant or deed restriction must also 15 16 address criteria and policies to maintain public benefit if the 17 property is converted to a use other than which continues to provide 18 for permanently affordable housing.
 - (b) The units dedicated as affordable must be provided in a range of sizes comparable to other units in the development. To the extent practicable, the number of bedrooms in affordable units must be in the same proportion as the number of bedrooms in units within the entire development. The affordable units must generally be distributed throughout the development and have substantially the same functionality as the other units in the development.
 - (c) If a city has enacted a program under RCW 36.70 A. 540, the terms of that program govern to the extent they vary from the requirements of this subsection.
 - (3) If a city has enacted a program under RCW 36.70A.540, subsection (1) of this section does not preclude the city from requiring any development, including development described in subsection (1) of this section, to provide affordable housing, either on-site or through an in-lieu payment, nor limit the city's ability to expand such a program or modify its requirements.
 - (4)(a) As an alternative to the density requirements in subsection (1) of this section, a city may implement the density requirements in subsection (1) of this section for at least 75 percent of lots in the city that are primarily dedicated to single-family detached housing units.

1 (b) The 25 percent of lots for which the requirements of 2 subsection (1) of this section are not implemented must include but 3 are not limited to:

- (i) Any areas within the city for which the department has certified an extension of the implementation timelines under section 5 of this act due to the risk of displacement;
- (ii) Any areas within the city for which the department has certified an extension of the implementation timelines under section 7 of this act due to a lack of infrastructure capacity;
- 10 (iii) Any lots designated with critical areas or their buffers 11 that are exempt from the density requirements as provided in 12 subsection (8) of this section;
 - (iv) Any portion of a city within a one-mile radius of a commercial airport with at least 9,000,000 annual enplanements that is exempt from the parking requirements under subsection (7)(b) of this section; and
 - (v) Any areas subject to sea level rise, increased flooding, susceptible to wildfires, or geological hazards over the next 100 years.
 - (c) Unless identified as at higher risk of displacement under RCW 36.70A.070(2)(g), the 25 percent of lots for which the requirements of subsection (1) of this section are not implemented may not include:
 - (i) Any areas for which the exclusion would further racially disparate impacts or result in zoning with a discriminatory effect;
- 26 (ii) Any areas within one-half mile walking distance of a major 27 transit stop; or
 - (iii) Any areas historically covered by a covenant or deed restriction excluding racial minorities from owning property or living in the area, as known to the city at the time of each comprehensive plan update.
 - (5) A city must allow at least six of the nine types of middle housing to achieve the unit density required in subsection (1) of this section. A city may allow accessory dwelling units to achieve the unit density required in subsection (1) of this section. Cities are not required to allow accessory dwelling units or middle housing types beyond the density requirements in subsection (1) of this section. A city must also allow zero lot line short subdivision where the number of lots created is equal to the unit density required in subsection (1) of this section.

(6) Any city subject to the requirements of this section:

- (a) If applying design review for middle housing, only administrative design review shall be required;
- (b) Except as provided in (a) of this subsection, shall not require through development regulations any standards for middle housing that are more restrictive than those required for detached single-family residences, but may apply any objective development regulations that are required for detached single-family residences, including, but not limited to, set-back, lot coverage, stormwater, clearing, and tree canopy and retention requirements to ensure compliance with existing ordinances intended to protect critical areas and public health and safety;
- (c) Shall apply to middle housing the same development permit and environmental review processes that apply to detached single-family residences, unless otherwise required by state law including, but not limited to, shoreline regulations under chapter 90.58 RCW, building codes under chapter 19.27 RCW, energy codes under chapter 19.27A RCW, or electrical codes under chapter 19.28 RCW;
- (d) Shall not require off-street parking as a condition of permitting development of middle housing within one-half mile walking distance of a major transit stop;
- (e) Shall not require more than one off-street parking space per unit as a condition of permitting development of middle housing on lots smaller than 6,000 square feet before any zero lot line subdivisions or lot splits;
- (f) Shall not require more than two off-street parking spaces per unit as a condition of permitting development of middle housing on lots greater than 6,000 square feet before any zero lot line subdivisions or lot splits; and
- (g) Are not required to achieve the per unit density under this act on lots after subdivision below 1,000 square feet unless the city chooses to enact smaller allowable lot sizes.
 - (7) The provisions of subsection (6)(d) through (f) of this section do not apply:
- (a) If a local government submits to the department an empirical study prepared by a credentialed transportation or land use planning expert that clearly demonstrates, and the department finds and certifies, that the application of the parking limitations of subsection (6) (d) through (f) of this section for middle housing will be significantly less safe for vehicle drivers or passengers,

- pedestrians, or bicyclists than if the jurisdiction's parking requirements were applied to the same location for the same number of detached houses. The department must develop guidance to assist cities on items to include in the study; or
 - (b) To portions of cities within a one-mile radius of a commercial airport in Washington with at least 9,000,000 annual enplanements.
 - (8) The provisions of this section do not apply to:

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- 9 (a) Lots designated with critical areas designated under RCW 36.70A.170 or their buffers as required by RCW 36.70A.170;
 - (b) A watershed serving a reservoir for potable water if that watershed is or was listed, as of the effective date of this section, as impaired or threatened under section 303(d) of the federal clean water act (33 U.S.C. Sec. 1313(d)); or
- 15 (c) Lots that have been designated urban separators by countywide 16 planning policies as of the effective date of this section.
 - (9) Nothing in this section prohibits a city from permitting detached single-family residences.
- 19 (10) Nothing in this section requires a city to issue a building 20 permit if other federal, state, and local requirements for a building 21 permit are not met.
- 22 (11) A city must comply with the requirements of this section on 23 the latter of:
 - (a) Six months after its next periodic comprehensive plan update required under RCW 36.70A.130 if the city meets the population threshold based on the 2020 office of financial management population data; or
 - (b) 12 months after their next implementation progress report required under RCW 36.70A.130 after a determination by the office of financial management that the city has reached a population threshold established under this section.
- 32 (12) A city complying with this section and not granted a
 33 timeline extension under section 7 of this act does not have to
 34 update its capital facilities plan element required by RCW
 35 36.70A.070(3) to accommodate the increased housing required by this
 36 act until the first periodic comprehensive plan update required for
 37 the city under RCW 36.70A.130(5) that occurs on or after June 30,
 38 2034.

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

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- (1) (a) The department is directed to provide technical assistance to cities as they implement the requirements under section 3 of this act.
- 6 (b) The department shall prioritize such technical assistance to cities demonstrating the greatest need.
- 8 (2)(a) The department shall publish model middle housing 9 ordinances no later than six months following the effective date of 10 this section.
 - (b) In any city subject to section 3 of this act that has not passed ordinances, regulations, or other official controls within the time frames provided under section 3(11) of this act, the model ordinance supersedes, preempts, and invalidates local development regulations until the city takes all actions necessary to implement section 3 of this act.
 - (3) (a) The department is directed to establish a process by which cities implementing the requirements of section 3 of this act may seek approval of alternative local action necessary to meet the requirements of this act.
 - (b) The department may approve actions under this section for cities that have, by January 1, 2023, adopted a comprehensive plan that is substantially similar to the requirements of this act and have adopted, or within one year of the effective date of this section adopts, permanent development regulations that are substantially similar to the requirements of this act. In determining whether a city's adopted comprehensive plan and permanent development regulations are substantially similar, the department must find as substantially similar plans and regulations that:
 - (i) Result in an overall increase in housing units allowed in single-family zones that is at least 75 percent of the increase in housing units allowed in single-family zones if the specific provisions of this act were adopted;
- 34 (ii) Allow for middle housing throughout the city, rather than 35 just in targeted locations; and
- 36 (iii) Allow for additional density near major transit stops, and 37 for projects that incorporate dedicated affordable housing.
- 38 (c) The department may also approve actions under this section 39 for cities that have, by January 1, 2023, adopted a comprehensive 40 plan or development regulations that have significantly reduced or

eliminated residentially zoned areas that are predominantly single family. The department must find that a city's actions are substantially similar to the requirements of this act if they have adopted, or within one year of the effective date of this section adopts, permanent development regulations that:

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- (i) Result in an overall increase in housing units allowed in single-family zones that is at least 75 percent of the increase in housing units allowed in single-family zones if the specific provisions of this act were adopted;
- 10 (ii) Allow for middle housing throughout the city, rather than 11 just in targeted locations; and
- 12 (iii) Allow for additional density near major transit stops, and 13 for projects that incorporate dedicated affordable housing.
 - (d) The department may determine that a comprehensive plan and development regulations that do not meet these criteria are otherwise substantially similar to the requirements of this act if the city can clearly demonstrate that the regulations adopted will allow for a greater increase in middle housing production within single family zones than would be allowed through implementation of section 3 of this act.
- 21 (e) Any local actions approved by the department pursuant to (a)
 22 of this subsection to implement the requirements under section 3 of
 23 this act are exempt from appeals under this chapter and chapter
 24 43.21C RCW.
- (f) The department's final decision to approve or reject actions by cities implementing section 3 of this act may be appealed to the growth management hearings board by filing a petition as provided in RCW 36.70A.290.
- 29 (4) The department may issue guidance for local jurisdictions to 30 ensure that the levels of middle housing zoning under this act can be 31 integrated with the methods used by cities to calculate zoning 32 densities and intensities in local zoning and development 33 regulations.
- NEW SECTION. Sec. 5. A new section is added to chapter 36.70A RCW to read as follows:
- Any city choosing the alternative density requirements in section 3(4) of this act may apply to the department for, and the department may certify, an extension for areas at risk of displacement as determined by the antidisplacement analysis that a jurisdiction is

- 1 required to complete under RCW 36.70A.070(2). The city must create a
- 2 plan for implementing antidisplacement policies by their next
- 3 implementation progress report required by RCW 36.70A.130(9). The
- 4 department may certify one further extension based on evidence of
- 5 significant ongoing displacement risk in the impacted area.

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- 6 **Sec. 6.** RCW 36.70A.280 and 2011 c 360 s 17 are each amended to 7 read as follows:
 - (1) The growth management hearings board shall hear and determine only those petitions alleging either:
 - (a) That, except as provided otherwise by this subsection, a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW. Nothing in this subsection authorizes the board to hear petitions alleging noncompliance with RCW 36.70A.5801;
 - (b) That the twenty-year growth management planning population projections adopted by the office of financial management pursuant to RCW 43.62.035 should be adjusted;
 - (c) That the approval of a work plan adopted under RCW 36.70A.735(1)(a) is not in compliance with the requirements of the program established under RCW 36.70A.710;
 - (d) That regulations adopted under RCW 36.70A.735(1) (b) are not regionally applicable and cannot be adopted, wholly or partially, by another jurisdiction; ((or))
 - (e) That a department certification under RCW 36.70A.735(1) (c) is erroneous; or
- 29 <u>(f) That the department's final decision to approve or reject</u> 30 <u>actions by a city implementing section 3 of this act is clearly</u> 31 <u>erroneous</u>.
 - (2) A petition may be filed only by: (a) The state, or a county or city that plans under this chapter; (b) a person who has participated orally or in writing before the county or city regarding the matter on which a review is being requested; (c) a person who is certified by the governor within sixty days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.
 - (3) For purposes of this section "person" means any individual, partnership, corporation, association, state agency, governmental

subdivision or unit thereof, or public or private organization or entity of any character.

- (4) To establish participation standing under subsection (2)(b) of this section, a person must show that his or her participation before the county or city was reasonably related to the person's issue as presented to the board.
- (5) When considering a possible adjustment to a growth management planning population projection prepared by the office of financial management, the board shall consider the implications of any such adjustment to the population forecast for the entire state.

The rationale for any adjustment that is adopted by the board must be documented and filed with the office of financial management within ten working days after adoption.

If adjusted by the board, a county growth management planning population projection shall only be used for the planning purposes set forth in this chapter and shall be known as the "board adjusted population projection." None of these changes shall affect the official state and county population forecasts prepared by the office of financial management, which shall continue to be used for state budget and planning purposes.

NEW SECTION. Sec. 7. A new section is added to chapter 36.70A RCW to read as follows:

- (1) Any city choosing the alternative density requirements in section 3(4) of this act may apply to the department for, and the department may certify, an extension of the implementation timelines established under section 3(11) of this act.
- (2) An extension certified under this section may be applied only to specific areas where a city can demonstrate that water, sewer, stormwater, transportation infrastructure, including facilities and transit services, or fire protection services lack capacity to accommodate the density required in section 3 of this act, and the city has:
- (a) Included one or more improvements, as needed, within its capital facilities plan to adequately increase capacity; or
- 35 (b) Identified which special district is responsible for 36 providing the necessary infrastructure if the infrastructure is 37 provided by a special purpose district.
 - (3) If an extension of the implementation timelines is requested due to lack of water supply from the city or the purveyors who serve

- water within the city, the department's evaluation of the extension must be based on the applicable water system plans in effect and approved by the department of health. Water system plan updates initiated after the effective date of this section must include consideration of water supply requirements for middle housing types.
- 6 (4) An extension granted under this section remains in effect 7 until the earliest of:
 - (a) The infrastructure is improved to accommodate the capacity;
- 9 (b) The city's deadline to complete its next periodic 10 comprehensive plan update under RCW 36.70A.130; or

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- (c) The city's deadline to complete its implementation progress report to the department as required under RCW 36.70A.130(9).
- (5) A city that has received an extension under this section may reapply for any needed extension with its next periodic comprehensive plan update under RCW 36.70A.130 or its implementation progress report to the department under RCW 36.70A.130(9). The application for an additional extension must include a list of infrastructure improvements necessary to meet the capacity required in section 3 of this act. Such additional extension must only be to address infrastructure deficiency that a city is not reasonably able to address within the first extension.
- (6) The department may establish by rule any standards or procedures necessary to implement this section.
- (7) The department must provide the legislature with a list of projects identified in a city's capital facilities plan that were the basis for the extension under this section, including planning level estimates. Additionally, the city must contact special purpose districts to identify additional projects associated with extensions under this section.
- (8) A city granted an extension for a specific area must allow development as provided under section 3 of this act if the developer commits to providing the necessary water, sewer, or stormwater infrastructure.
- (9) If an area zoned predominantly for residential use is currently served only by private wells, group B water systems or group A water systems with less than 50 connections, or a city or water providers within the city do not have an adequate water supply or available connections to serve the zoning increase required under section 3 of this act, the city may limit the areas subject to the requirements under section 3 of this act to match current water

- 1 availability. Nothing in this act affects or modifies the responsibilities of cities to plan for or provide urban governmental 2 services as defined in RCW 36.70A.030 or affordable housing as 3 required by RCW 36.70A.070. 4
 - (10) No city shall approve a building permit for housing under section 3 of this act without compliance with the adequate water supply requirements of RCW 19.27.097.

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- (11) If an area zoned predominantly for residential use is currently served only by on-site sewage systems, development may be limited to two units per lot, until either the landowner or local government provides sewer service or demonstrates a sewer system will serve the development at the time of construction. Nothing in this act affects or modifies the responsibilities of cities to plan for or provide urban governmental services as defined in RCW 36.70A.030.
- Sec. 8. RCW 43.21C.495 and 2022 c 246 s 3 are each amended to 15 16 read as follows:
 - (1) Adoption of ordinances, development regulations amendments to such regulations, and other nonproject actions taken by a city to implement: The actions specified in section 2, chapter 246, Laws of 2022 unless the adoption of such ordinances, development regulations and amendments to such regulations, or other nonproject actions has a probable significant adverse impact on fish habitat; and the increased residential building capacity actions identified in RCW 36.70A.600(1), with the exception of the action specified in RCW 36.70A.600(1)(f), are not subject to administrative or judicial appeals under this chapter.
- 27 (2) Amendments to development regulations and other nonproject 28 actions taken by a city to implement the requirements under section 3 of this act pursuant to section 4(3)(b) of this act are not subject 29 to administrative or judicial appeals under this chapter.
- 31 Sec. 9. RCW 43.21C.450 and 2012 1st sp.s. c 1 s 307 are each amended to read as follows: 32
- The following nonproject actions are categorically exempt from 33 34 the requirements of this chapter:
- (1) Amendments to development regulations that are required to ensure consistency with an adopted comprehensive plan pursuant to RCW 36 37 36.70A.040, where the comprehensive plan was previously subjected to environmental review pursuant to this chapter and the impacts

- associated with the proposed regulation were specifically addressed in the prior environmental review;
 - (2) Amendments to development regulations that are required to ensure consistency with a shoreline master program approved pursuant to RCW 90.58.090, where the shoreline master program was previously subjected to environmental review pursuant to this chapter and the impacts associated with the proposed regulation were specifically addressed in the prior environmental review;
- 9 (3) Amendments to development regulations that, upon 10 implementation of a project action, will provide increased 11 environmental protection, limited to the following:
- 12 (a) Increased protections for critical areas, such as enhanced 13 buffers or setbacks;
- 14 (b) Increased vegetation retention or decreased impervious 15 surface areas in shoreline jurisdiction; and
- 16 (c) Increased vegetation retention or decreased impervious 17 surface areas in critical areas;
 - (4) Amendments to technical codes adopted by a county, city, or town to ensure consistency with minimum standards contained in state law, including the following:
 - (a) Building codes required by chapter 19.27 RCW;
 - (b) Energy codes required by chapter 19.27A RCW; and
- (c) Electrical codes required by chapter 19.28 RCW.
- 24 (5) Amendments to development regulations to remove requirements
- 25 for parking from development proposed to fill in an urban growth area
- 26 <u>designated according to RCW 36.70A.110.</u>
- NEW SECTION. Sec. 10. A new section is added to chapter 64.34 RCW to read as follows:
- 29 A declaration created after the effective date of this section
- 30 and applicable to an area within a city subject to the middle housing
- 31 requirements in section 3 of this act may not actively or effectively
- 32 prohibit the construction, development, or use of additional housing
- 33 units as required in section 3 of this act.
- NEW SECTION. Sec. 11. A new section is added to chapter 64.32
- 35 RCW to read as follows:

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- 36 A declaration created after the effective date of this section
- 37 and applicable to an association of apartment owners located within
- 38 an area of a city subject to the middle housing requirements in

- 1 section 3 of this act may not actively or effectively prohibit the
- 2 construction, development, or use of additional housing units as
- 3 required in section 3 of this act.
- 4 <u>NEW SECTION.</u> **Sec. 12.** A new section is added to chapter 64.38
- 5 RCW to read as follows:
- 6 Governing documents of associations within cities subject to the
- 7 middle housing requirements in section 3 of this act that are created
- 8 after the effective date of this section may not actively or
- 9 effectively prohibit the construction, development, or use of
- 10 additional housing units as required in section 3 of this act.
- NEW SECTION. Sec. 13. A new section is added to chapter 64.90
- 12 RCW to read as follows:
- 13 Declarations and governing documents of a common interest
- 14 community within cities subject to the middle housing requirements in
- 15 section 3 of this act that are created after the effective date of
- 16 this section may not actively or effectively prohibit the
- 17 construction, development, or use of additional housing units as
- 18 required in section 3 of this act.
- 19 NEW SECTION. Sec. 14. The department of commerce may establish
- 20 by rule any standards or procedures necessary to implement sections 2
- 21 through 7 of this act.
- NEW SECTION. Sec. 15. If specific funding for the purposes of
- 23 this act, referencing this act by bill or chapter number, is not
- 24 provided by June 30, 2023, in the omnibus appropriations act, this
- 25 act is null and void.

Passed by the House April 18, 2023.

Passed by the Senate April 11, 2023.

Approved by the Governor May 8, 2023.

Filed in Office of Secretary of State May 10, 2023.

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CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1042

Chapter 285, Laws of 2023

68th Legislature 2023 Regular Session

USE OF EXISTING BUILDINGS FOR RESIDENTIAL PURPOSES

EFFECTIVE DATE: July 23, 2023

Passed by the House April 14, 2023 CERTIFICATE Yeas 96 Nays 0 I, Bernard Dean, Chief Clerk of the House of Representatives of the LAURIE JINKINS State of Washington, do hereby Speaker of the House of certify that the attached is ENGROSSED SUBSTITUTE HOUSE BILL Representatives 1042 as passed by the House of Representatives and the Senate on the dates hereon set forth. Passed by the Senate April 5, 2023 Yeas 45 Nays 3 BERNARD DEAN Chief Clerk DENNY HECK President of the Senate Approved May 4, 2023 3:07 PM FILED May 5, 2023

JAY INSLEE State of Washington

Governor of the State of Washington

ENGROSSED SUBSTITUTE HOUSE BILL 1042

AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

State of Washington

68th Legislature

2023 Regular Session

By House Housing (originally sponsored by Representatives Walen, Ryu, Barkis, Simmons, Duerr, Goodman, Bateman, Reed, Ramel, Peterson, Pollet, Doglio, Macri, Reeves, Mena, Tharinger, Wylie, Gregerson, Springer, Bergquist, Thai, Kloba, Santos, and Ormsby)

READ FIRST TIME 01/23/23.

- 1 AN ACT Relating to the creation of additional housing units in
- 2 existing buildings; amending RCW 43.21C.450; adding a new section to
- 3 chapter 35A.21 RCW; adding a new section to chapter 35.21 RCW; and
- 4 adding a new section to chapter 19.27A RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 35A.21 7 RCW to read as follows:
- 8 (1)(a) Code cities must adopt or amend by ordinance, and 9 incorporate into their development regulations, zoning regulations, 10 and other official controls the requirements of subsection (2) of 11 this section for buildings that are zoned for commercial or mixed use 12 no later than six months after its next periodic comprehensive plan
- 13 update required under RCW 36.70A.130.
- 14 (b) The requirements of subsection (2) of this section apply and
- 15 take effect in any code city that has not adopted or amended
- 16 ordinances, regulations, or other official controls as required under
- 17 this section by the timeline in (a) of this subsection and supersede,
- 18 preempt, and invalidate any conflicting local development

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19 regulations.

(2) Through ordinances, development regulations, zoning regulations, or other official controls as required under subsection (1) of this section, code cities may not:

- (a) Impose a restriction on housing unit density that prevents the addition of housing units at a density up to 50 percent more than what is allowed in the underlying zone if constructed entirely within an existing building envelope in a building located within a zone that permits multifamily housing, provided that generally applicable health and safety standards, including but not limited to building code standards and fire and life safety standards, can be met within the building;
- (b) Impose parking requirements on the addition of dwelling units or living units added within an existing building, however, cities may require the retention of existing parking that is required to satisfy existing residential parking requirements under local laws and for nonresidential uses that remain after the new units are added;
- (c) With the exception of emergency housing and transitional housing uses, impose permitting requirements on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone;
- (d) Impose design standard requirements, including setbacks, lot coverage, and floor area ratio requirements, on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone;
- (e) Impose exterior design or architectural requirements on the residential use of an existing building beyond those necessary for health and safety of the use of the interior of the building or to preserve character-defining streetscapes, unless the building is a designated landmark or is within a historic district established through a local preservation ordinance;
- (f) Prohibit the addition of housing units in any specific part of a building except ground floor commercial or retail that is along a major pedestrian corridor as defined by the code city, unless the addition of the units would violate applicable building codes or health and safety standards;
- (g) Require unchanged portions of an existing building used for residential purposes to meet the current energy code solely because

of the addition of new dwelling units within the building, however, if any portion of an existing building is converted to new dwelling units, each of those new units must meet the requirements of the current energy code;

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- (h) Deny a building permit application for the addition of housing units within an existing building due to nonconformity regarding parking, height, setbacks, elevator size for gurney transport, or modulation, unless the code city official with decision-making authority makes written findings that the nonconformity is causing a significant detriment to the surrounding area; or
- (i) Require a transportation concurrency study under RCW 36.70A.070 or an environmental study under chapter 43.21C RCW based on the addition of residential units within an existing building.
- (3) Nothing in this section requires a code city to approve a building permit application for the addition of housing units constructed entirely within an existing building envelope in a building located within a zone that permits multifamily housing in cases in which the building cannot satisfy life safety standards.
- 20 (4) For the purpose of this section, "existing building" means a 21 building that received a certificate of occupancy at least three 22 years prior to the permit application to add housing units.
- NEW SECTION. Sec. 2. A new section is added to chapter 35.21 RCW to read as follows:
 - (1) (a) Cities must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of subsection (2) of this section for buildings that are zoned for commercial or mixed use no later than six months after its next periodic comprehensive plan update required under RCW 36.70A.130.
 - (b) The requirements of subsection (2) of this section apply and take effect in any city that has not adopted or amended ordinances, regulations, or other official controls as required under this section by the timeline in (a) of this subsection and supersede, preempt, and invalidate any conflicting local development regulations.
- 37 (2) Through ordinances, development regulations, zoning 38 regulations, or other official controls as required under subsection 39 (1) of this section, cities may not:

(a) Impose a restriction on housing unit density that prevents the addition of housing units at a density up to 50 percent more than what is allowed in the underlying zone if constructed entirely within an existing building envelope in a building located within a zone that permits multifamily housing, provided that generally applicable health and safety standards, including but not limited to building code standards and fire and life safety standards, can be met within the building;

- (b) Impose parking requirements on the addition of dwelling units or living units added within an existing building, however, cities may require the retention of existing parking that is required to satisfy existing residential parking requirements under local laws and for nonresidential uses that remain after the new units are added;
- (c) With the exception of emergency housing and transitional housing uses, impose permitting requirements on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone;
- (d) Impose design standard requirements, including setbacks, lot coverage, and floor area ratio requirements, on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone;
- (e) Impose exterior design or architectural requirements on the residential use of an existing building beyond those necessary for health and safety of the use of the interior of the building or to preserve character-defining streetscapes, unless the building is a designated landmark or is within a historic district established through a local preservation ordinance;
- (f) Prohibit the addition of housing units in any specific part of a building except ground floor commercial or retail that is along a major pedestrian corridor as defined by each city, unless the addition of the units would violate applicable building codes or health and safety standards;
- (g) Require unchanged portions of an existing building used for residential purposes to meet the current energy code solely because of the addition of new dwelling units within the building, however, if any portion of an existing building is converted to new dwelling

units, each of those new units must meet the requirements of the current energy code;

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- (h) Deny a building permit application for the addition of housing units within an existing building due to nonconformity regarding parking, height, setbacks, elevator size for gurney transport, or modulation, unless the city official with decision-making authority makes written findings that the nonconformity is causing a significant detriment to the surrounding area; or
- 9 (i) Require a transportation concurrency study under RCW 36.70A.070 or an environmental study under chapter 43.21C RCW based on the addition of residential units within an existing building.
 - (3) Nothing in this section requires a city to approve a building permit application for the addition of housing units constructed entirely within an existing building envelope in a building located within a zone that permits multifamily housing in cases in which the building cannot satisfy life safety standards.
- 17 (4) For the purpose of this section, "existing building" means a 18 building that received a certificate of occupancy at least three 19 years prior to the permit application to add housing units.
- NEW SECTION. Sec. 3. A new section is added to chapter 19.27A RCW to read as follows:
 - By January 1, 2024, the state building code council shall adopt by rule an amendment to the current energy code that waives the requirement for unchanged portions of an existing building used for residential purposes to meet the current energy code solely because of the addition of new dwelling units within the building. New dwelling units created within the existing building must meet the requirements of the current energy code.
- 29 **Sec. 4.** RCW 43.21C.450 and 2012 1st sp.s. c 1 s 307 are each 30 amended to read as follows:
- The following nonproject actions are categorically exempt from the requirements of this chapter:
- 33 (1) Amendments to development regulations that are required to 34 ensure consistency with an adopted comprehensive plan pursuant to RCW 35 36.70A.040, where the comprehensive plan was previously subjected to 36 environmental review pursuant to this chapter and the impacts 37 associated with the proposed regulation were specifically addressed 38 in the prior environmental review;

- (2) Amendments to development regulations that are required to ensure consistency with a shoreline master program approved pursuant to RCW 90.58.090, where the shoreline master program was previously subjected to environmental review pursuant to this chapter and the impacts associated with the proposed regulation were specifically addressed in the prior environmental review;
- (3) Amendments to development regulations that, upon implementation of a project action, will provide increased environmental protection, limited to the following:
- 10 (a) Increased protections for critical areas, such as enhanced 11 buffers or setbacks;
- 12 (b) Increased vegetation retention or decreased impervious 13 surface areas in shoreline jurisdiction; and
- 14 (c) Increased vegetation retention or decreased impervious 15 surface areas in critical areas;
- 16 (4) Amendments to technical codes adopted by a county, city, or 17 town to ensure consistency with minimum standards contained in state 18 law, including the following:
 - (a) Building codes required by chapter 19.27 RCW;
- 20 (b) Energy codes required by chapter 19.27A RCW; and
- 21 (c) Electrical codes required by chapter 19.28 RCW.
- 22 <u>(5) Adoption or amendment of ordinances, development regulations,</u> 23 <u>zoning regulations, and other official controls necessary to comply</u>
- 24 with sections 1 and 2 of this act.

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Passed by the House April 14, 2023. Passed by the Senate April 5, 2023. Approved by the Governor May 4, 2023. Filed in Office of Secretary of State May 5, 2023.

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CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 1337

Chapter 334, Laws of 2023 (partial veto)

68th Legislature 2023 Regular Session

GROWTH MANAGEMENT ACT-ACCESSORY DWELLING UNITS-URBAN GROWTH AREAS

EFFECTIVE DATE: July 23, 2023

Passed by the House April 14, 2023 Yeas 85 Nays 11

LAURIE JINKINS

Speaker of the House of Representatives

Passed by the Senate April 6, 2023 Yeas 39 Nays 7

DENNY HECK

President of the Senate

Approved May 8, 2023 1:13 PM with the exception of section 5, which is vetoed.

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1337** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 10, 2023

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED HOUSE BILL 1337

AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

State of Washington

68th Legislature

2023 Regular Session

By Representatives Gregerson, Barkis, Berry, Christian, Duerr, Fitzgibbon, Taylor, Ramel, Reeves, Simmons, Walen, Graham, Bateman, Reed, Lekanoff, Doglio, Tharinger, Cortes, Macri, and Stonier

Read first time 01/16/23. Referred to Committee on Housing.

- AN ACT Relating to expanding housing options by easing barriers 1 2 to the construction and use of accessory dwelling units; amending RCW 3 36.70A.696, 43.21C.495, and 36.70A.280; adding new sections to chapter 36.70A RCW; adding a new section to chapter 64.34 RCW; adding 4 a new section to chapter 64.32 RCW; adding a new section to chapter 5 64.38 RCW; adding a new section to chapter 64.90 RCW; creating a new 6 7 section; and repealing RCW 35.63.210, 35A.63.230, 36.70A.400, 8 36.70.677, and 43.63A.215.
- 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The legislature makes the following findings:
- 12 (a) Washington state is experiencing a housing affordability 13 crisis. Many communities across the state are in need of more housing 14 for renters across the income spectrum.
- 15 (b) Many cities dedicate the majority of residentially zoned land 16 to single detached houses that are increasingly financially out of 17 reach for many households. Due to their smaller size, accessory 18 dwelling units can provide a more affordable housing option in those 19 single-family zones.
- 20 (c) Localities can start to correct for historic economic and 21 racial exclusion in single-family zones by opening up these

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- neighborhoods to more diverse housing types, including accessory dwelling units, that provide lower cost homes. Increasing housing options in expensive, high-opportunity neighborhoods will give more families access to schools, parks, and other public amenities otherwise accessible to only the wealthy.
 - (d) Accessory dwelling units are frequently rented below market rate, providing additional affordable housing options for renters.

- (e) Accessory dwelling units can also help to provide housing for very low-income households. More than 10 percent of accessory dwelling units in some areas are occupied by tenants who pay no rent at all; among these tenants are grandparents, adult children, family members with disabilities, friends going through life transitions, and community members in need. Accessory dwelling units meet the needs of these people who might otherwise require subsidized housing space and resources.
- (f) Accessory dwelling units can meet the needs of Washington's growing senior population, making it possible for this population to age in their communities by offering senior-friendly housing, which prioritizes physical accessibility, in walkable communities near amenities essential to successful aging in place, including transit and grocery stores, without requiring costly renovations of existing housing stock.
- 23 (g) Homeowners who add an accessory dwelling unit may benefit 24 from added income and an increased sense of security.
 - (h) Accessory dwelling units provide environmental benefits. On average they are more energy efficient than single detached houses, and they incentivize adaptive reuse of existing homes and materials.
 - (i) Siting accessory dwelling units near transit hubs, employment centers, and public amenities can help to reduce greenhouse gas emissions by increasing walkability, shortening household commutes, and curtailing sprawl.
- 32 (2) The legislature intends to promote and encourage the creation 33 of accessory dwelling units as a means to address the need for 34 additional affordable housing options.
- **Sec. 2.** RCW 36.70A.696 and 2021 c 306 s 2 are each amended to 36 read as follows:
- The definitions in this section apply throughout RCW 36.70A.697 ((and)), 36.70A.698, and sections 3 and 4 of this act unless the context clearly requires otherwise.

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- 1 (1) "Accessory dwelling unit" means a dwelling unit located on 2 the same lot as a single-family housing unit, duplex, triplex, 3 townhome, or other housing unit.
 - (2) "Attached accessory dwelling unit" means an accessory dwelling unit located within or attached to a single-family housing unit, duplex, triplex, townhome, or other housing unit.
 - (3) "City" means any city, code city, and town located in a county planning under RCW 36.70A.040.
 - (4) "County" means any county planning under RCW 36.70A.040.
 - (5) "Detached accessory dwelling unit" means an accessory dwelling unit that consists partly or entirely of a building that is separate and detached from a single-family housing unit, duplex, triplex, townhome, or other housing unit and is on the same property.
 - (6) "Dwelling unit" means a residential living unit that provides complete independent living facilities for one or more persons and that includes permanent provisions for living, sleeping, eating, cooking, and sanitation.
 - (7) "Gross floor area" means the interior habitable area of a dwelling unit including basements and attics but not including a garage or accessory structure.
 - (8) "Major transit stop" means:
- 22 (a) A stop on a high capacity transportation system funded or 23 expanded under the provisions of chapter 81.104 RCW;
 - (b) Commuter rail stops;

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- 25 (c) Stops on rail or fixed guideway systems, including 26 transitways;
 - (d) Stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes; or
 - (e) Stops for a bus or other transit mode providing actual fixed route service at intervals of at least fifteen minutes for at least five hours during the peak hours of operation on weekdays.
- $((\frac{(8)}{(8)}))$ "Owner" means any person who has at least 50 percent ownership in a property on which an accessory dwelling unit is located.
- (((9))) (10) "Principal unit" means the single-family housing unit, duplex, triplex, townhome, or other housing unit located on the same lot as an accessory dwelling unit.
- 38 <u>(11)</u> "Short-term rental" means a lodging use, that is not a hotel 39 or motel or bed and breakfast, in which a dwelling unit, or portion

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- 1 thereof, is offered or provided to a guest by a short-term rental
- 2 operator for a fee for fewer than 30 consecutive nights.

- 3 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 36.70A 4 RCW to read as follows:
 - (1) (a) Cities and counties planning under this chapter must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of this section and of section 4 of this act, to take effect six months after the jurisdiction's next periodic comprehensive plan update required under RCW 36.70A.130.
 - (b) In any city or county that has not adopted or amended ordinances, regulations, or other official controls as required under this section, the requirements of this section and section 4 of this act supersede, preempt, and invalidate any conflicting local development regulations.
 - (2) Ordinances, development regulations, and other official controls adopted or amended pursuant to this section and section 4 of this act must only apply in the portions of towns, cities, and counties that are within urban growth areas designated under this chapter.
 - (3) Any action taken by a city or county to comply with the requirements of this section or section 4 of this act is not subject to legal challenge under this chapter or chapter 43.21C RCW.
 - (4) Nothing in this section or section 4 of this act requires or authorizes a city or county to authorize the construction of an accessory dwelling unit in a location where development is restricted under other laws, rules, or ordinances as a result of physical proximity to on-site sewage system infrastructure, critical areas, or other unsuitable physical characteristics of a property.
- 30 (5) Nothing in this section or in section 4 of this act prohibits 31 a city or county from:
 - (a) Restricting the use of accessory dwelling units for shortterm rentals;
 - (b) Applying public health, safety, building code, and environmental permitting requirements to an accessory dwelling unit that would be applicable to the principal unit, including regulations to protect ground and surface waters from on-site wastewater;
 - (c) Applying generally applicable development regulations to the construction of an accessory unit, except when the application of

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- such regulations would be contrary to this section or to section 4 of this act;
- 3 (d) Prohibiting the construction of accessory dwelling units on 4 lots that are not connected to or served by public sewers; or
- (e) Prohibiting or restricting the construction of accessory dwelling units in residential zones with a density of one dwelling unit per acre or less that are within areas designated as wetlands, fish and wildlife habitats, flood plains, or geologically hazardous areas.
- NEW SECTION. Sec. 4. A new section is added to chapter 36.70A RCW to read as follows:

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- (1) In addition to ordinances, development regulations, and other official controls adopted or amended to comply with this section and section 3 of this act, a city or county must comply with all of the following policies:
- (a) The city or county may not assess impact fees on the construction of accessory dwelling units that are greater than 50 percent of the impact fees that would be imposed on the principal unit;
- 20 (b) The city or county may not require the owner of a lot on 21 which there is an accessory dwelling unit to reside in or occupy the 22 accessory dwelling unit or another housing unit on the same lot;
 - (c) The city or county must allow at least two accessory dwelling units on all lots that are located in all zoning districts within an urban growth area that allow for single-family homes in the following configurations:
 - (i) One attached accessory dwelling unit and one detached accessory dwelling unit;
 - (ii) Two attached accessory dwelling units; or
- 30 (iii) Two detached accessory dwelling units, which may be 31 comprised of either one or two detached structures;
 - (d) The city or county must permit accessory dwelling units in structures detached from the principal unit;
- 34 (e) The city or county must allow an accessory dwelling unit on 35 any lot that meets the minimum lot size required for the principal 36 unit;
- 37 (f) The city or county may not establish a maximum gross floor 38 area requirement for accessory dwelling units that is less than 1,000 39 square feet;

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(g) The city or county may not establish roof height limits on an accessory dwelling unit of less than 24 feet, unless the height limitation that applies to the principal unit is less than 24 feet, in which case a city or county may not impose roof height limitation on accessory dwelling units that is less than the height limitation that applies to the principal unit;

- (h) A city or county may not impose setback requirements, yard coverage limits, tree retention mandates, restrictions on entry door locations, aesthetic requirements, or requirements for design review for accessory dwelling units that are more restrictive than those for principal units;
- (i) A city or county must allow detached accessory dwelling units to be sited at a lot line if the lot line abuts a public alley, unless the city or county routinely plows snow on the public alley;
- (j) A city or county must allow accessory dwelling units to be converted from existing structures, including but not limited to detached garages, even if they violate current code requirements for setbacks or lot coverage;
- (k) A city or county may not prohibit the sale or other conveyance of a condominium unit independently of a principal unit solely on the grounds that the condominium unit was originally built as an accessory dwelling unit; and
- 23 (1) A city or county may not require public street improvements 24 as a condition of permitting accessory dwelling units.
 - (2)(a) A city or county subject to the requirements of this section may not:
 - (i) Require off-street parking as a condition of permitting development of accessory dwelling units within one-half mile walking distance of a major transit stop;
 - (ii) Require more than one off-street parking space per unit as a condition of permitting development of accessory dwelling units on lots smaller than 6,000 square feet before any zero lot line subdivisions or lot splits; and
 - (iii) Require more than two off-street parking spaces per unit as a condition of permitting development of accessory dwelling units on lots greater than 6,000 square feet before any zero lot line subdivisions or lot splits.
 - (b) The provisions of (a) of this subsection do not apply:
- 39 (i) If a local government submits to the department an empirical study prepared by a credentialed transportation or land use planning

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- 1 expert that clearly demonstrates, and the department finds and
- 2 certifies, that the application of the parking limitations of (a) of
- 3 this subsection for accessory dwelling units will be significantly
- 4 less safe for vehicle drivers or passengers, pedestrians, or
- 5 bicyclists than if the jurisdiction's parking requirements were
- 6 applied to the same location for the same number of detached houses.
- 7 The department must develop guidance to assist cities and counties on
- 8 items to include in the study; or

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- 9 (ii) To portions of cities within a one mile radius of a 10 commercial airport in Washington with at least 9,000,000 annual 11 enplanements.
 - (3) When regulating accessory dwelling units, cities and counties may impose a limit of two accessory dwelling units, in addition to the principal unit, on a residential lot of 2,000 square feet or less.
- (4) The provisions of this section do not apply to lots designated with critical areas or their buffers as designated in RCW 36.70A.060, or to a watershed serving a reservoir for potable water if that watershed is or was listed, as of the effective date of this section, as impaired or threatened under section 303(d) of the federal clean water act (33 U.S.C. Sec. 1313(d)).
- *NEW SECTION. Sec. 5. A new section is added to chapter 36.70A
 RCW to read as follows:
 - To encourage the use of accessory dwelling units for long-term housing, cities and counties may adopt ordinances, development regulations, and other official controls which waive or defer fees, including impact fees, defer the payment of taxes, or waive specific regulations. Cities and counties may only offer such reduced or deferred fees, deferred taxes, waivers, or other incentives for the development or construction of accessory dwelling units if:
 - (1) The units are located within an urban growth area; and
 - (2) The units are subject to a program adopted by the city or county with effective binding commitments or covenants that the units will be primarily utilized for long-term housing consistent with the public purpose for this authorization.
 - *Sec. 5 was vetoed. See message at end of chapter.
- 36 **Sec. 6.** RCW 43.21C.495 and 2022 c 246 s 3 are each amended to read as follows:

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(1) Adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city to implement: The actions specified in section 2, chapter 246, Laws of 2022 unless the adoption of such ordinances, development regulations and amendments to such regulations, or other nonproject actions has a probable significant adverse impact on fish habitat; and the increased residential building capacity actions identified in RCW 36.70A.600(1), with the exception of the action specified in RCW 36.70A.600(1)(f), are not subject to administrative or judicial appeals under this chapter.

- 11 (2) Adoption of ordinances, development regulations and
 12 amendments to such regulations, and other nonproject actions taken by
 13 a city or county consistent with the requirements of sections 3 and 4
 14 of this act are not subject to administrative or judicial appeals
 15 under this chapter.
- **Sec. 7.** RCW 36.70A.280 and 2011 c 360 s 17 are each amended to read as follows:
- 18 (1) The growth management hearings board shall hear and determine 19 only those petitions alleging either:
 - (a) That, except as provided otherwise by this subsection, a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW. Nothing in this subsection authorizes the board to hear petitions alleging noncompliance ((with RCW 36.70A.5801)) based on a city or county's actions taken to implement the requirements of sections 3 and 4 of this act within an urban growth area;
- 31 (b) That the ((twenty-)) 20-year growth management planning 32 population projections adopted by the office of financial management 33 pursuant to RCW 43.62.035 should be adjusted;
 - (c) That the approval of a work plan adopted under RCW 36.70A.735(1)(a) is not in compliance with the requirements of the program established under RCW 36.70A.710;
- 37 (d) That regulations adopted under RCW 36.70A.735(1)(b) are not regionally applicable and cannot be adopted, wholly or partially, by another jurisdiction; or

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1 (e) That a department certification under RCW 36.70A.735(1)(c) is 2 erroneous.

- (2) A petition may be filed only by: (a) The state, or a county or city that plans under this chapter; (b) a person who has participated orally or in writing before the county or city regarding the matter on which a review is being requested; (c) a person who is certified by the governor within ((sixty)) 60 days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.
- (3) For purposes of this section "person" means any individual, partnership, corporation, association, state agency, governmental subdivision or unit thereof, or public or private organization or entity of any character.
- (4) To establish participation standing under subsection (2)(b) of this section, a person must show that his or her participation before the county or city was reasonably related to the person's issue as presented to the board.
- (5) When considering a possible adjustment to a growth management planning population projection prepared by the office of financial management, the board shall consider the implications of any such adjustment to the population forecast for the entire state.

The rationale for any adjustment that is adopted by the board must be documented and filed with the office of financial management within ten working days after adoption.

If adjusted by the board, a county growth management planning population projection shall only be used for the planning purposes set forth in this chapter and shall be known as the "board adjusted population projection." None of these changes shall affect the official state and county population forecasts prepared by the office of financial management, which shall continue to be used for state budget and planning purposes.

- NEW SECTION. Sec. 8. A new section is added to chapter 36.70A RCW to read as follows:
- 34 (1) By December 31, 2023, the department must revise its 35 recommendations for encouraging accessory dwelling units to include 36 the provisions of sections 3 and 4 of this act.
- 37 (2) During each comprehensive plan review required by RCW 36.70A.130, the department must review local government comprehensive plans and development regulations for compliance with sections 3 and

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- 4 of this act and the department's recommendations under subsection 2 (1) of this section.
- 3 <u>NEW SECTION.</u> **Sec. 9.** A new section is added to chapter 64.34 4 RCW to read as follows:

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- (1) Except a declaration created to protect public health and safety, and ground and surface waters from on-site wastewater, a declaration created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.
- 13 (2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.
- 15 (3) A city or county issuing a permit for the construction of an 16 accessory dwelling unit may not be held civilly liable on the basis 17 that the construction of the accessory dwelling unit would violate a 18 restrictive covenant or deed restriction.
- NEW SECTION. Sec. 10. A new section is added to chapter 64.32 RCW to read as follows:
 - (1) Except a declaration created to protect public health and safety, and ground and surface waters from on-site wastewater, a declaration created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.
- 29 (2) For the purposes of this section, "urban growth area" has the 30 same meaning as in RCW 36.70A.030.
- 31 (3) A city or county issuing a permit for the construction of an 32 accessory dwelling unit may not be held civilly liable on the basis 33 that the construction of the accessory dwelling unit would violate a 34 restrictive covenant or deed restriction.
- NEW SECTION. Sec. 11. A new section is added to chapter 64.38 RCW to read as follows:

(1) Except governing documents of associations created to protect public health and safety, and ground and surface waters from on-site wastewater, governing documents of associations created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.

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- 10 (2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.
 - (3) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction.
- NEW SECTION. Sec. 12. A new section is added to chapter 64.90 RCW to read as follows:
 - (1) Except declarations and governing documents of common interest communities created to protect public health and safety, and ground and surface waters from on-site wastewater, declarations and governing documents of common interest communities created after the effective date of this section and applicable to a property located within an urban growth area may not impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under section 4 of this act.
- 28 (2) For the purposes of this section, "urban growth area" has the same meaning as in RCW 36.70A.030.
- 30 (3) A city or county issuing a permit for the construction of an 31 accessory dwelling unit may not be held civilly liable on the basis 32 that the construction of the accessory dwelling unit would violate a 33 restrictive covenant or deed restriction.
- NEW SECTION. Sec. 13. The following acts or parts of acts are each repealed:
- 36 (1) RCW 35.63.210 (Accessory apartments) and 1993 c 478 s 8;
 - (2) RCW 35A.63.230 (Accessory apartments) and 1993 c 478 s 9;
- 38 (3) RCW 36.70A.400 (Accessory apartments) and 1993 c 478 s 11;

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- 1 (4) RCW 36.70.677 (Accessory apartments) and 1993 c 478 s 10; and
- 2 (5) RCW 43.63A.215 (Accessory apartments—Development and
- 3 placement—Local governments) and 1993 c 478 s 7.

Passed by the House April 14, 2023.

Passed by the Senate April 6, 2023.

Approved by the Governor May 8, 2023, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 10, 2023.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 5, Engrossed House Bill No. 1337 entitled:

"AN ACT Relating to expanding housing options by easing barriers to the construction and use of accessory dwelling units."

Section 5 of the bill gives local governments authority to waive or defer fees, defer payment of taxes, or waive other regulations for the development of accessory dwelling units (ADUs) if specified conditions are met. The specified conditions are that the ADU must be located within an urban growth area, and the ADU must be subject to a locally adopted covenant program ensuring that the ADU will be primarily utilized for long-term housing. Current law allows local governments to waive fees, taxes, and to establish various incentives for the construction of ADUs without requiring the creation of a local covenant program. The administrative costs necessary to administer a new covenant program for ADUs may cause some cities to discontinue current incentive programs.

For these reasons I have vetoed Section 5 of Engrossed House Bill No. 1337.

With the exception of Section 5, Engrossed House Bill No. 1337 is approved."

--- END ---

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5258

Chapter 337, Laws of 2023

68th Legislature 2023 Regular Session

CONDOMINIUMS AND TOWNHOUSES—CONSTRUCTION AND SALE—VARIOUS PROVISIONS

EFFECTIVE DATE: July 23, 2023—Except for section 9, which takes effect January 1, 2024.

Passed by the Senate April 21, 2023 Yeas 49 Nays 0	CERTIFICATE
DENNY HECK	I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that
President of the Senate	the attached is ENGROSSED SECOND SUBSTITUTE SENATE BILL 5258 as passed by the Senate and the House of Representatives on the dates
Passed by the House April 20, 2023 Yeas 98 Nays 0	hereon set forth.
LAURIE JINKINS	SARAH BANNISTER
Speaker of the House of Representatives	Secretary
Approved May 8, 2023 1:16 PM	FILED
	May 10, 2023
JAY INSLEE	Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE SENATE BILL 5258

AS AMENDED BY THE HOUSE

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Senate Ways & Means (originally sponsored by Senators Shewmake, Gildon, Billig, Liias, Lovick, Nguyen, Nobles, Randall, and Wellman)

- AN ACT Relating to increasing the supply and affordability of condominium units and townhouses as an option for homeownership; amending RCW 64.35.105, 64.50.010, 64.50.020, 64.50.040, 64.90.250, 64.90.605, 64.90.645, 82.02.060, 58.17.060, and 64.55.160; reenacting and amending RCW 64.38.010; adding a new section to chapter 82.45 RCW; creating a new section; and providing an effective date.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 8 **Sec. 1.** RCW 64.35.105 and 2004 c 201 s 101 are each amended to 9 read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
 - (1) "Affiliate" has the meaning in RCW ((64.34.020)) 64.90.010.
- 13 (2) "Association" has the meaning in RCW ((64.34.020)) <u>64.90.010</u>.
- 14 (3) "Building envelope" means the assemblies, components, and 15 materials of a building that are intended to separate and protect the 16 interior space of the building from the adverse effects of exterior 17 climatic conditions.
- 18 (4) "Common element" has the meaning in RCW ((64.34.020)) 19 64.90.010.
- 20 (5) "Condominium" has the meaning in RCW ((64.34.020)) 64.90.010.
- 21 (6) "Construction professional" has the meaning in RCW 64.50.010.

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1 (7) "Conversion condominium" has the meaning in RCW ((64.34.020))2 64.90.010.

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- (8) "Declarant" has the meaning in RCW ((64.34.020)) <u>64</u>.90.010.
- (9) "Declarant control" has the meaning in RCW ((64.34.020))4 64.90.010. 5
 - (10) "Defect" means any aspect of a condominium unit or common element which constitutes a breach of the implied warranties set forth in RCW 64.34.445 or 64.90.670.
- (11)"Limited common element" has the 9 meaning in RCW ((64.34.020)) 64.90.010. 10
- (12) "Material" means substantive, not simply formal; significant to a reasonable person; not trivial or insignificant. When used with respect to a particular construction defect, "material" does not require that the construction defect render the unit or common 14 element unfit for its intended purpose or uninhabitable.
- (13) "Mediation" means a collaborative process in which two or 16 17 more parties meet and attempt, with the assistance of a mediator, to 18 resolve issues in dispute between them.
 - (14) "Mediation session" means a meeting between two or more parties to a dispute during which they are engaged in mediation.
 - (15) "Mediator" means a neutral and impartial facilitator with no decision-making power who assists parties in negotiating a mutually acceptable settlement of issues in dispute between them.
 - (16) "Person" has the meaning in RCW ((64.34.020)) 64.90.010.
 - (17) "Public offering statement" has the meaning in ((RCW 64.34.410)) chapter 64.90 RCW.
 - (18) "Qualified insurer" means an entity that holds a certificate of authority under RCW 48.05.030, or an eligible insurer under chapter 48.15 RCW.
 - (19) "Qualified warranty" means an insurance policy issued by a qualified insurer that complies with the requirements of this chapter. A qualified warranty includes coverage for repair of physical damage caused by the defects covered by the qualified warranty, except to the extent of any exclusions and limitations under this chapter.
- 36 (20) "Resale certificate" means the statement to be delivered by the association under ((RCW 64.34.425)) chapter 64.90 RCW. 37
- (21) "Transition date" means the date on which the declarant is 38 39 required to deliver to the association the property of the 40 association under RCW ((64.34.312)) 64.90.420.

- 1 (22) "Unit" has the meaning in RCW ((64.34.020)) 64.90.010.
- 2 (23) "Unit owner" has the meaning in RCW ((64.34.020)) 64.90.010.
- 3 **Sec. 2.** RCW 64.38.010 and 2021 c 227 s 9 are each reenacted and 4 amended to read as follows:

For purposes of this chapter:

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- 6 (1) "Assessment" means all sums chargeable to an owner by an association in accordance with RCW 64.38.020.
 - (2) "Baseline funding plan" means establishing a reserve funding goal of maintaining a reserve account balance above ((zero dollars)) \$0 throughout the ((thirty-year)) 30-year study period described under RCW 64.38.065.
- 12 (3) "Board of directors" or "board" means the body, regardless of 13 name, with primary authority to manage the affairs of the 14 association.
- 15 (4) "Common areas" means property owned, or otherwise maintained, 16 repaired or administered by the association.
 - (5) "Common expense" means the costs incurred by the association to exercise any of the powers provided for in this chapter.
 - (6) "Contribution rate" means, in a reserve study as described in RCW 64.38.065, the amount contributed to the reserve account so that the association will have cash reserves to pay major maintenance, repair, or replacement costs without the need of a special assessment.
 - (7) "Effective age" means the difference between the estimated useful life and remaining useful life.
 - (8) "Electronic transmission" or "electronically transmitted" means any electronic communication not directly involving the physical transfer of a writing in a tangible medium, but that may be retained, retrieved, and reviewed by the sender and the recipient of the communication, and that may be directly reproduced in a tangible medium by a sender and recipient.
 - (9) "Full funding plan" means setting a reserve funding goal of achieving one hundred percent fully funded reserves by the end of the ((thirty-year)) 30-year study period described under RCW 64.38.065, in which the reserve account balance equals the sum of the deteriorated portion of all reserve components.
- 37 (10) "Fully funded balance" means the current value of the 38 deteriorated portion, not the total replacement value, of all the 39 reserve components. The fully funded balance for each reserve

component is calculated by multiplying the current replacement cost of the reserve component by its effective age, then dividing the result by the reserve component's useful life. The sum total of all reserve components' fully funded balances is the association's fully funded balance.

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- (11) "Governing documents" means the articles of incorporation, bylaws, plat, declaration of covenants, conditions, and restrictions, rules and regulations of the association, or other written instrument by which the association has the authority to exercise any of the powers provided for in this chapter or to manage, maintain, or otherwise affect the property under its jurisdiction.
- (12) "Homeowners' association" or "association" means a corporation, unincorporated association, or other legal entity, each member of which is an owner of residential real property located within the association's jurisdiction, as described in the governing documents, and by virtue of membership or ownership of property is obligated to pay real property taxes, insurance premiums, maintenance costs, or for improvement of real property other than that which is owned by the member. "Homeowners' association" does not mean an association created under chapter 64.32 ((er)), 64.34, or 64.90 RCW.
- 21 (13) "Lot" means a physical portion of the real property located 22 within an association's jurisdiction designated for separate 23 ownership.
 - (14) "Owner" means the owner of a lot, but does not include a person who has an interest in a lot solely as security for an obligation. "Owner" also means the vendee, not the vendor, of a lot under a real estate contract.
 - (15) "Remaining useful life" means the estimated time, in years, before a reserve component will require major maintenance, repair, or replacement to perform its intended function.
- 31 (16) "Replacement cost" means the current cost of replacing, 32 repairing, or restoring a reserve component to its original 33 functional condition.
 - (17) "Reserve component" means a common element whose cost of maintenance, repair, or replacement is infrequent, significant, and impractical to include in an annual budget.
- 37 (18) "Reserve study professional" means an independent person who 38 is suitably qualified by knowledge, skill, experience, training, or 39 education to prepare a reserve study in accordance with RCW 64.38.065 40 and 64.38.070.

1 (19) "Residential real property" means any real property, the use 2 of which is limited by law, covenant or otherwise to primarily 3 residential or recreational purposes.

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- (20) "Significant assets" means that the current replacement value of the major reserve components is ((seventy-five)) 75 percent or more of the gross budget of the association, excluding the association's reserve account funds.
- 8 (21) "Tangible medium" means a writing, copy of a writing, 9 facsimile, or a physical reproduction, each on paper or on other 10 tangible material.
- 11 (22) "Useful life" means the estimated time, between years, that 12 major maintenance, repair, or replacement is estimated to occur.
- 13 **Sec. 3.** RCW 64.50.010 and 2020 c 18 s 23 are each amended to 14 read as follows:
- Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
 - (1) "Action" means any civil lawsuit or action in contract or tort for damages or indemnity brought against a construction professional to assert a claim, whether by complaint, counterclaim, or cross-claim, for damage or the loss of use of real or personal property caused by a defect in the construction of a residence or in the substantial remodel of a residence. "Action" does not include any civil action in tort alleging personal injury or wrongful death to a person or persons resulting from a construction defect.
 - (2) "Association" means an association, master association, or subassociation as defined and provided for in RCW 64.34.020(4), 64.34.276, 64.34.278, ((and)) 64.38.010(((11))) (12), and 64.90.010(4).
- (3) "Claimant" means a homeowner or association who asserts a claim against a construction professional concerning a defect in the construction of a residence or in the substantial remodel of a residence.
- 33 (4) "Construction defect professional" means an architect,
 34 builder, builder vendor, contractor, subcontractor, engineer,
 35 inspector, or such other person with verifiable training and
 36 experience related to the defects or conditions identified in any
 37 report included with a notice of claim as set forth in RCW
 38 64.50.020(1)(a).

(5) "Construction professional" means an architect, builder, builder vendor, contractor, subcontractor, engineer, or inspector, including, but not limited to, a dealer as defined in RCW 64.34.020 and a declarant as defined in RCW 64.34.020, performing or furnishing the design, supervision, inspection, construction, or observation of the construction of any improvement to real property, whether operating as a sole proprietor, partnership, corporation, or other business entity.

- (((5))) <u>(6)</u> "Homeowner" means: (a) Any person, company, firm, partnership, corporation, or association who contracts with a construction professional for the construction, sale, or construction and sale of a residence; and (b) an "association" as defined in this section. "Homeowner" includes, but is not limited to, a subsequent purchaser of a residence from any homeowner.
- ((+6+)) (7) "Residence" means a single-family house, duplex, triplex, quadraplex, or a unit in a multiunit residential structure in which title to each individual unit is transferred to the owner under a condominium or cooperative system, and shall include common elements as defined in RCW 64.34.020 and common areas as defined in RCW 64.38.010(4).
- $((\frac{(7)}{)})$ <u>(8)</u> "Serve" or "service" means personal service or 22 delivery by certified mail to the last known address of the 23 addressee.
- (((8))) <u>(9)</u> "Substantial remodel" means a remodel of a residence, for which the total cost exceeds one-half of the assessed value of the residence for property tax purposes at the time the contract for the remodel work was made.
- **Sec. 4.** RCW 64.50.020 and 2002 c 323 s 3 are each amended to 29 read as follows:
- 30 (1) In every construction defect action brought against a construction professional, the claimant shall, no later than ((forty-five)) 45 days before filing an action, serve written notice of claim on the construction professional.
 - (a) The notice of claim shall state that the claimant asserts a construction defect claim against the construction professional and shall describe the claim in reasonable detail sufficient to determine the general nature of the defect.
- 38 <u>(b) If the claimant is a condominium association created after</u> 39 <u>the effective date of this section, the written notice of claim shall</u>

include a written report from a construction defect professional. In addition to describing the claim in reasonable detail sufficient to determine the general nature of the defect the written report shall state the construction defect professional's qualifications, the manner and type of inspection upon which the report was based, and the general location of the defect.

- (2) Within ((twenty-one)) 14 days after service of the notice of claim, the construction professional may serve a written response demanding a meeting with the claimant and its expert, including the construction defect professional who authored the report required in subsection (1)(b) of this section to confer regarding the report and its contents. The meeting shall take place within 14 days of service of the construction professional's demand or at such later date as mutually agreed to by the parties.
- (3) Within 14 days after the meeting referenced in subsection (2) of this section or, in the absence of a demand for such meeting, within 21 days after service of the notice of claim, whichever is later, the construction professional shall serve a written response on the claimant by registered mail or personal service. The written response shall:
- (a) Propose to inspect the residence that is the subject of the claim and to complete the inspection within a specified time frame. The proposal shall include the statement that the construction professional shall, based on the inspection, offer to remedy the defect, compromise by payment, or dispute the claim;
- (b) Offer to compromise and settle the claim by monetary payment without inspection. A construction professional's offer under this subsection $((\frac{1}{2}))$ (3) (b) to compromise and settle a homeowner's claim may include, but is not limited to, an express offer to purchase the claimant's residence that is the subject of the claim, and to pay the claimant's reasonable relocation costs; or
- (c) State that the construction professional disputes the claim and will neither remedy the construction defect nor compromise and settle the claim.
- $((\frac{3}{3}))$ $\underline{(4)}$ (a) If the construction professional disputes the claim or does not respond to the claimant's notice of claim within the time stated in subsection $((\frac{2}{3}))$ of this section, the claimant may bring an action against the construction professional for the claim described in the notice of claim without further notice.

(b) If the claimant rejects the inspection proposal or the settlement offer made by the construction professional pursuant to subsection ((\(\frac{(2)}{(2)}\))) (3) of this section, the claimant shall serve written notice of the claimant's rejection on the construction professional. After service of the rejection, the claimant may bring an action against the construction professional for the construction defect claim described in the notice of claim. If the construction professional has not received from the claimant, within ((thirty)) 30 days after the claimant's receipt of the construction professional's response, either an acceptance or rejection of the inspection proposal or settlement offer, then at anytime thereafter the construction professional may terminate the proposal or offer by serving written notice to the claimant, and the claimant may thereafter bring an action against the construction professional for the construction defect claim described in the notice of claim.

- (((4+))) (5)(a) If the claimant elects to allow the construction professional to inspect in accordance with the construction professional's proposal pursuant to subsection (((2+))) (3)(a) of this section, the claimant shall provide the construction professional and its contractors or other agents reasonable access to the claimant's residence during normal working hours to inspect the premises and the claimed defect.
- (b) Within ((fourteen)) 14 days following completion of the inspection, the construction professional shall serve on the claimant:
- (i) A written offer to remedy the construction defect at no cost to the claimant, including a report of the scope of the inspection, the findings and results of the inspection, a description of the additional construction necessary to remedy the defect described in the claim, and a timetable for the completion of such construction;
- (ii) A written offer to compromise and settle the claim by monetary payment pursuant to subsection $((\frac{2}{2}))$ of this section; or
- (iii) A written statement that the construction professional will not proceed further to remedy the defect.
- (c) If the construction professional does not proceed further to remedy the construction defect within the agreed timetable, or if the construction professional fails to comply with the provisions of (b) of this subsection, the claimant may bring an action against the

construction professional for the claim described in the notice of claim without further notice.

- (d) If the claimant rejects the offer made by the construction professional pursuant to (b)(i) or (ii) of this subsection to either remedy the construction defect or to compromise and settle the claim by monetary payment, the claimant shall serve written notice of the claimant's rejection on the construction professional. After service of the rejection notice, the claimant may bring an action against the construction professional for the construction defect claim described in the notice of claim. If the construction professional has not received from the claimant, within ((thirty)) 30 days after the claimant's receipt of the construction professional's response, either an acceptance or rejection of the offer made pursuant to (b)(i) or (ii) of this subsection, then at anytime thereafter the construction professional may terminate the offer by serving written notice to the claimant.
- (b) The claimant and construction professional may, by written mutual agreement, alter the extent of construction or the timetable for completion of construction stated in the offer, including, but not limited to, repair of additional defects.
- $((\frac{(6)}{(6)}))$ Any action commenced by a claimant prior to compliance with the requirements of this section shall be subject to dismissal without prejudice, and may not be recommenced until the claimant has complied with the requirements of this section.
- (((+7))) (8) Nothing in this section may be construed to prevent a claimant from commencing an action on the construction defect claim described in the notice of claim if the construction professional fails to perform the construction agreed upon, fails to remedy the defect, or fails to perform by the timetable agreed upon pursuant to subsection (((+2))) (3)(a) or ((+5))) (6) of this section.

- 1 $((\frac{8}{(8)}))$ Prior to commencing any action alleging a construction defect, or after the dismissal of any action without 2 prejudice pursuant to subsection $((\frac{6}{1}))$ of this section, the 3 claimant may amend the notice of claim to include construction 4 defects discovered after the service of the original notice of claim, 5 6 and must otherwise comply with the requirements of this section for the additional claims. The service of an amended notice of claim 7 shall relate back to the original notice of claim for purposes of 8 tolling statutes of limitations and repose. Claims for defects 9 discovered after the commencement or recommencement of an action may 10 11 be added to such action only after providing notice to the construction professional of the defect and allowing for response 12 under subsection $((\frac{2}{2}))$ of this section. 13
- (10) If the claimant is an association, and notwithstanding any contrary provisions in the association's governing documents, the association's board of director's ability to incur expenses to prepare and serve a notice of claim and any related reports and otherwise comply with the requirements of this chapter shall not be restricted.
- 20 **Sec. 5.** RCW 64.50.040 and 2002 c 323 s 5 are each amended to 21 read as follows:

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- (1) (a) In the event the board of directors, pursuant to RCW 64.34.304(1)(d) or 64.38.020(4), institutes an action asserting defects in the construction of two or more residences, common elements, or common areas, this section shall apply. For purposes of this section, "action" has the same meaning as set forth in RCW 64.50.010.
- 28 (b) The board of directors shall substantially comply with the 29 provisions of this section.
 - (2) (a) Prior to the service of the summons and complaint on any defendant with respect to an action governed by this section, the board of directors shall mail or deliver written notice of the commencement or anticipated commencement of such action to each homeowner at the last known address described in the association's records.
- 36 (b) The notice required by (a) of this subsection shall state a 37 general description of the following:
 - (i) The nature of the action and the relief sought; ((and))

- 1 (ii) To the extent applicable, the existence of the report
 2 required in RCW 64.50.020(1)(a), which shall be made available to
 3 each homeowner upon request;
 - (iii) A summary of the construction professional's response pursuant to RCW 64.50.020(3), if any; and
 - (iv) The expenses and fees that the board of directors anticipates will be incurred in prosecuting the action.
 - (3) Nothing in this section may be construed to:

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- 9 (a) Require the disclosure in the notice or the disclosure to a 10 unit owner of attorney-client communications or other privileged 11 communications;
- 12 (b) Permit the notice to serve as a basis for any person to 13 assert the waiver of any applicable privilege or right of 14 confidentiality resulting from, or to claim immunity in connection 15 with, the disclosure of information in the notice; or
- 16 (c) Limit or impair the authority of the board of directors to 17 contract for legal services, or limit or impair the ability to 18 enforce such a contract for legal services.
- 19 **Sec. 6.** RCW 64.90.250 and 2018 c 277 s 211 are each amended to 20 read as follows:
 - (1) To exercise any development right reserved under RCW 64.90.225(1)(((h))) (g), the declarant must prepare, execute, and record any amendments to the declaration and map in accordance with the requirements of RCW 64.90.245 and 64.90.285(3). The declarant is the unit owner of any units created. The amendment to the declaration must assign an identifying number to each new unit created and, except in the case of subdivision, combination, or conversion of units described in subsection (3) of this section, reallocate the allocated interests among all units. The amendment must describe any common elements and any limited common elements created and, in the case of limited common elements, designate the unit to which each is allocated to the extent required under RCW 64.90.240. The amendments are effective upon recording.
 - (2) Development rights may be reserved within any real estate added to the common interest community if the amendment to the declaration adding that real estate includes all matters required under RCW 64.90.225 and 64.90.230 and the amendment to the map includes all matters required under RCW 64.90.245. This subsection

does not extend the time limit on the exercise of development rights imposed by the declaration pursuant to RCW 64.90.225(1)(h).

- (3) When a declarant exercises a development right to subdivide, combine, or convert a unit previously created into additional units or common elements, or both:
- (a) If the declarant converts the unit entirely into common elements, the amendment to the declaration must reallocate all the allocated interests of that unit among the other units as if that unit had been taken by condemnation under RCW 64.90.030; or
- (b) If the declarant subdivides the unit into two or more units, whether or not any part of the unit is converted into common elements, the amendment to the declaration must reallocate all the allocated interests of the unit among the units created by the subdivision in any reasonable manner prescribed by the declarant.
- 15 (4) If the declaration provides, pursuant to RCW 64.90.225(1)(h), 16 that all or a portion of the real estate is subject to a right of 17 withdrawal:
 - (a) If all the real estate is subject to withdrawal, and the declaration or map or amendment to the declaration or map does not describe separate portions of real estate subject to that right, none of the real estate may be withdrawn if a unit in that real estate has been conveyed to a purchaser; or
 - (b) If any portion of the real estate is subject to withdrawal as described in the declaration or map or amendment to the declaration or map, none of that portion of the real estate may be withdrawn if a unit in that portion has been conveyed to a purchaser.
 - (5) If the declarant combines two or more units into a lesser number of units, whether or not any part of a unit is converted into common elements or common elements are converted units, the amendment to the declaration must reallocate all of the allocated interests of the units being combined into the unit or units created by the combination in any reasonable manner prescribed by the declarant.
- 33 (6) A unit conveyed to a purchaser may not be withdrawn pursuant 34 to subsection (4)(a) or (b) of this section without the consent of 35 the unit owner of that unit and the holder of a security interest in 36 the unit.
- **Sec. 7.** RCW 64.90.605 and 2018 c 277 s 402 are each amended to 38 read as follows:

(1) Except as provided otherwise in subsection (2) of this section, a declarant required to deliver a public offering statement pursuant to subsection (3) of this section must prepare a public offering statement conforming to the requirements of RCW 64.90.610, 64.90.615, and 64.90.620.

- (2) A declarant may transfer responsibility for preparation of all or a part of the public offering statement to a successor declarant or to a dealer who intends to offer units in the ((condominium)) common interest community.
- (3) (a) Any declarant or dealer who offers to convey a unit for the person's own account to a purchaser must provide the purchaser of the unit with a copy of a public offering statement and all material amendments to the public offering statement before conveyance of that unit.
- (b) Any agent, attorney, or other person assisting the declarant or dealer in preparing the public offering statement may rely upon information provided by the declarant or dealer without independent investigation. The agent, attorney, or other person is not liable for any material misrepresentation in or omissions of material facts from the public offering statement unless the person had actual knowledge of the misrepresentation or omission at the time the public offering statement was prepared.
- (c) The declarant or dealer is liable for any misrepresentation contained in the public offering statement or for any omission of material fact from the public offering statement if the declarant or dealer had actual knowledge of the misrepresentation or omission or, in the exercise of reasonable care, should have known of the misrepresentation or omission.
- (4) If a unit is part of a common interest community and is part of any other real estate regime in connection with the sale of which the delivery of a public offering statement is required under the laws of this state, a single public offering statement conforming to the requirements of RCW 64.90.610, 64.90.615, and 64.90.620 as those requirements relate to each regime in which the unit is located, and to any other requirements imposed under the laws of this state, may be prepared and delivered in lieu of providing two or more public offering statements.
- (5) A declarant is not required to prepare and deliver a public offering statement in connection with the sale of any unit owned by the declarant, or to obtain for or provide to the purchaser a report

- or statement required under RCW 64.90.610(1)(00), 64.90.620(1), or 64.90.655, upon the later of:
- 3 (a) The termination or expiration of all special declarant 4 rights;

- (b) The expiration of all periods within which claims or actions for a breach of warranty arising from defects involving the common elements under RCW 64.90.680 must be filed or commenced, respectively, by the association against the declarant; or
- 9 (c) The time when the declarant ceases to meet the definition of a dealer under RCW 64.90.010.
 - (6) After the last to occur of any of the events described in subsection (5) of this section, a declarant must deliver to the purchaser of a unit owned by the declarant a resale certificate under RCW 64.90.640(2) together with:
- 15 (a) The identification of any real property not in the common 16 interest community that unit owners have a right to use and a 17 description of the terms of such use;
 - (b) A brief description or a copy of any express construction warranties to be provided to the purchaser;
 - (c) A statement of any litigation brought by an owners' association, unit owner, or governmental entity in which the declarant or any affiliate of the declarant has been a defendant arising out of the construction, sale, or administration of any common interest community within the state of Washington within the previous five years, together with the results of the litigation, if known;
 - (d) Whether timesharing is permitted or prohibited, and, if permitted, a statement that the purchaser of a time share unit is entitled to receive the disclosure document required under chapter 64.36 RCW; and
 - (e) Any other information and cross-references that the declarant believes will be helpful in describing the common interest community to the purchaser, all of which may be included or not included at the option of the declarant.
 - (7) A declarant is not liable to a purchaser for the failure or delay of the association to provide the resale certificate in a timely manner, but the purchase contract is voidable by the purchaser of a unit sold by the declarant until the resale certificate required under RCW 64.90.640(2) and the information required under subsection

- 1 (6) of this section have been provided and for five days thereafter 2 or until conveyance, whichever occurs first.
- **Sec. 8.** RCW 64.90.645 and 2021 c 260 s 2 are each amended to 4 read as follows:

- (1) Except as provided in subsection (2) of this section, any earnest money deposit, as defined in RCW 64.04.005, made in connection with the right to purchase a unit from a person required to deliver a public offering statement pursuant to RCW 64.90.605(3) must be placed in escrow and held in this state in an escrow or trust account designated solely for that purpose by a licensed title insurance company or agent, a licensed attorney, a real estate broker or independent bonded escrow company, or an institution whose accounts are insured by a governmental agency or instrumentality until: (a) Delivered to the declarant at closing, (b) delivered to the declarant because of the purchaser's default under a contract to purchase the unit, (c) refunded to the purchaser, or (d) delivered to a court in connection with the filing of an interpleader action.
- (2) (a) If a purchase agreement for the sale of a unit provides that deposit funds may be used for construction costs and the declarant obtains and maintains a surety bond as required by this section, the declarant may withdraw escrow funds when construction of improvements has begun. The funds may be used only for actual building and construction costs of the project in which the unit is located.
- (b) The bond must be issued by a surety insurer licensed in this state in favor of the purchaser in an amount adequate to cover the amount of the deposit to be withdrawn. The declarant may not withdraw more than the face amount of the bond. The bond must be payable to the purchaser if the purchaser obtains a final judgment against the declarant requiring the declarant to return the deposit pursuant to the purchase agreement. The bond may be either in the form of an individual bond for each deposit accepted by the declarant or in the form of a blanket bond assuring the return of all deposits received by the declarant.
- (c) The party holding escrow funds who releases all or any portion of the funds to the declarant has no obligation to monitor the progress of construction or the expenditure of the funds by the declarant and is not liable to any purchaser for the release of funds pursuant to this section.

- 1 (3) ((A)) The amount of deposit ((under)) funds that may be used 2 pursuant to subsection (2) of this section may not exceed five 3 percent of the purchase price.
- 4 <u>NEW SECTION.</u> **Sec. 9.** A new section is added to chapter 82.45 5 RCW to read as follows:

- (1) The down payment assistance account is created in the custody of the state treasurer. Receipts from the real estate excise tax on sales of condominiums or townhouses to persons using a down payment assistance program offered by the Washington state housing finance commission must be deposited in the account, as provided in subsection (2) of this section. Expenditures from the account may be used only for payment toward a person's down payment assistance loan that was used to purchase a condominium or townhouse for which the tax was collected. Only the Washington state housing finance commission or the commission's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
 - (2) (a) Beginning June 15, 2024, and each June 15th thereafter, the department must notify the economic and revenue forecast council of the total amount received under RCW 82.45.060 from sales of condominiums or townhouses to persons using a down payment assistance program offered by the Washington state housing finance commission during the prior calendar year.
 - (b) Beginning in fiscal year 2025, and each fiscal year thereafter, the legislature must appropriate from the general fund to this account the lesser of (i) the amount received under RCW 82.45.060 on sales of condominiums or townhouses to persons using a down payment assistance program offered by the Washington state housing finance commission during the prior calendar year, as determined under (a) of this subsection, or (ii) \$250,000 per fiscal year.
- (c) On or before March 1, 2024, and each March 1st thereafter, the Washington state housing finance commission must provide the department with the following information for each sale of a condominium or townhouse to a person using a down payment assistance program offered by the Washington state housing finance commission that occurred during the prior calendar year:

- 1 (i) The real estate excise tax affidavit number associated with 2 the sale;
- 3 (ii) The date of sale;

- 4 (iii) The parcel number of the property sold;
- 5 (iv) The street address of the property sold;
- 6 (v) The county in which the property sold is located;
- 7 (vi) The full legal name of the seller, or sellers, as shown on 8 the real estate excise tax affidavit;
- 9 (vii) The full legal name of the buyer, or buyers, as shown on 10 the real estate excise tax affidavit; and
- (viii) Any additional information the department may require to verify the property sold is a condominium or townhouse sold to persons using a down payment assistance program offered by the Washington state housing finance commission.
- 15 (d) For the purposes of this subsection, "townhouse" means 16 dwelling units constructed in a row of two or more attached units 17 where each dwelling unit shares at least one common wall with an 18 adjacent unit and is accessed by a separate outdoor entrance.
 - (3) This section expires January 1, 2034.
- 20 **Sec. 10.** RCW 82.02.060 and 2021 c 72 s 1 are each amended to 21 read as follows:

The local ordinance by which impact fees are imposed:

- (1) Shall include a schedule of impact fees which shall be 23 24 adopted for each type of development activity that is subject to 25 impact fees, specifying the amount of the impact fee to be imposed 26 for each type of system improvement. The schedule shall be based upon a formula or other method of calculating such impact fees. The 27 28 schedule shall reflect the proportionate impact of new housing units, including multifamily and condominium units, based on the square 29 footage, number of bedrooms, or trips generated, in the housing unit 30 31 in order to produce a proportionally lower impact fee for smaller 32 housing units. In determining proportionate share, the formula or other method of calculating impact fees shall incorporate, among 33 34 other things, the following:
- 35 (a) The cost of public facilities necessitated by new 36 development;
- 37 (b) An adjustment to the cost of the public facilities for past 38 or future payments made or reasonably anticipated to be made by new 39 development to pay for particular system improvements in the form of

user fees, debt service payments, taxes, or other payments earmarked for or proratable to the particular system improvement;

- 3 (c) The availability of other means of funding public facility 4 improvements;
 - (d) The cost of existing public facilities improvements; and
 - (e) The methods by which public facilities improvements were financed;
 - (2) May provide an exemption for low-income housing, and other development activities with broad public purposes, including development of an early learning facility, from these impact fees, provided that the impact fees for such development activity shall be paid from public funds other than impact fee accounts;
 - (3) (a) May not impose an impact fee on development activities of an early learning facility greater than that imposed on commercial retail or commercial office development activities that generate a similar number, volume, type, and duration of vehicle trips;
 - (b) When a facility or development has more than one use, the limitations in this subsection (3) or the exemption applicable to an early learning facility in subsections (2) and (4) of this section only apply to that portion that is developed as an early learning facility. The impact fee assessed on an early learning facility in such a development or facility may not exceed the least of the impact fees assessed on comparable businesses in the facility or development;
 - (4) May provide an exemption from impact fees for low-income housing or for early learning facilities. Local governments that grant exemptions for low-income housing or for early learning facilities under this subsection (4) may either: Grant a partial exemption of not more than eighty percent of impact fees, in which case there is no explicit requirement to pay the exempted portion of the fee from public funds other than impact fee accounts; or provide a full waiver, in which case the remaining percentage of the exempted fee must be paid from public funds other than impact fee accounts, except as provided in (b) of this subsection. These exemptions are subject to the following requirements:
 - (a) An exemption for low-income housing granted under subsection (2) of this section or this subsection (4) must be conditioned upon requiring the developer to record a covenant that, except as provided otherwise by this subsection, prohibits using the property for any purpose other than for low-income housing. At a minimum, the covenant

must address price restrictions and household income limits for the low-income housing, and that if the property is converted to a use other than for low-income housing, the property owner must pay the applicable impact fees in effect at the time of conversion;

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- (b) An exemption for early learning facilities granted under 5 6 subsection (2) of this section or this subsection (4) may be a full waiver without an explicit requirement to pay the exempted portion of 7 the fee from public funds other than impact fee accounts if the local 8 government requires the developer to record a covenant that requires 9 that at least 25 percent of the children and families using the early 10 11 learning facility qualify for state subsidized child care, including 12 early childhood education and assistance under chapter 43.216 RCW, and that provides that if the property is converted to a use other 13 than for an early learning facility, the property owner must pay the 14 applicable impact fees in effect at the time of conversion, and that 15 16 also provides that if at no point during a calendar year does the 17 early learning facility achieve the required percentage of children and families qualified for state subsidized child care using the 18 early learning facility, the property owner must pay 20 percent of 19 the impact fee that would have been imposed on the development had 20 21 there not been an exemption within 90 days of the local government notifying the property owner of the breach, and any balance remaining 22 23 thereafter shall be a lien on the property; and
 - (c) Covenants required by (a) and (b) of this subsection must be recorded with the applicable county auditor or recording officer. A local government granting an exemption under subsection (2) of this section or this subsection (4) for low-income housing or an early learning facility may not collect revenue lost through granting an exemption by increasing impact fees unrelated to the exemption. A school district who receives school impact fees must approve any exemption under subsection (2) of this section or this subsection (4);
 - (5) Shall provide a credit for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified in the capital facilities plan and that are required by the county, city, or town as a condition of approving the development activity;
- 39 (6) Shall allow the county, city, or town imposing the impact 40 fees to adjust the standard impact fee at the time the fee is imposed

to consider unusual circumstances in specific cases to ensure that impact fees are imposed fairly;

- (7) Shall include a provision for calculating the amount of the fee to be imposed on a particular development that permits consideration of studies and data submitted by the developer to adjust the amount of the fee;
- (8) Shall establish one or more reasonable service areas within which it shall calculate and impose impact fees for various land use categories per unit of development; ((and))
- (9) May provide for the imposition of an impact fee for system improvement costs previously incurred by a county, city, or town to the extent that new growth and development will be served by the previously constructed improvements provided such fee shall not be imposed to make up for any system improvement deficiencies; and
- (10) Must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of this section to take effect six months after the jurisdiction's next periodic comprehensive plan update required under RCW 36.70A.130.

For purposes of this section, "low-income housing" means housing with a monthly housing expense, that is no greater than thirty percent of eighty percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development.

For the purposes of this section, "early learning facility" has the same meaning as in RCW 43.31.565.

- Sec. 11. RCW 58.17.060 and 1990 1st ex.s. c 17 s 51 are each amended to read as follows:
- (1) The legislative body of a city, town, or county shall adopt regulations and procedures, and appoint administrative personnel for the summary approval of short plats and short subdivisions or alteration or vacation thereof. When an alteration or vacation involves a public dedication, the alteration or vacation shall be processed as provided in RCW 58.17.212 or 58.17.215. Such regulations shall be adopted by ordinance and shall provide that a short plat and short subdivision may be approved only if written findings that are appropriate, as provided in RCW 58.17.110, are made by the administrative personnel, and may contain wholly different requirements than those governing the approval of preliminary and

final plats of subdivisions and may require surveys and 1 monumentations and shall require filing of a short plat, or 2 alteration or vacation thereof, for record in the office of the 3 county auditor: PROVIDED, That such regulations must contain a 4 requirement that land in short subdivisions may not be further 5 6 divided in any manner within a period of five years without the filing of a final plat, except that when the short plat contains 7 fewer than four parcels, nothing in this section shall prevent the 8 owner who filed the short plat from filing an alteration within the 9 five-year period to create up to a total of four lots within the 10 11 original short plat boundaries: PROVIDED FURTHER, That such 12 regulations are not required to contain a penalty clause as provided in RCW 36.32.120 and may provide for wholly injunctive relief. 13

An ordinance requiring a survey shall require that the survey be completed and filed with the application for approval of the short subdivision.

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- (2) Cities, towns, and counties shall include in their short plat regulations and procedures pursuant to subsection (1) of this section provisions for considering sidewalks and other planning features that assure safe walking conditions for students who walk to and from school.
- 23 <u>plat regulations procedures for unit lot subdivisions allowing</u>
 24 <u>division of a parent lot into separately owned unit lots. Portions of</u>
 25 <u>the parent lot not subdivided for individual unit lots shall be owned</u>
 26 <u>in common by the owners of the individual unit lots, or by a</u>
 27 <u>homeowners' association comprised of the owners of the individual</u>
 28 <u>unit lots.</u>
- 29 **Sec. 12.** RCW 64.55.160 and 2005 c 456 s 17 are each amended to 30 read as follows:
- (1) On or before the ((sixtieth)) 60th day following completion 31 32 of the mediation pursuant to RCW 64.55.120(4) and following filing and service of the complaint, the declarant, association, or party 33 unit owner may serve on an adverse party an offer to allow judgment 34 to be entered. The offer of judgment shall specify the amount of 35 damages, not including costs or fees, that the declarant, 36 association, or party unit owner is offering to pay or receive. A 37 38 declarant's offer shall also include its commitment to pay costs and 39 fees that may be awarded as provided in this section. The declarant,

association, or party unit owner may make more than one offer of judgment so long as each offer is timely made. Each subsequent offer supersedes and replaces the previous offer. Any offer not accepted within ((twenty-one)) 21 days of the service of that offer is deemed rejected and withdrawn and evidence thereof is not admissible and may not be provided to the court or arbitrator except in a proceeding to determine costs and fees or as part of the motion identified in subsection (2) of this section.

- (2) A declarant's offer must include a demonstration of ability to pay damages, costs, and fees, including reasonable attorneys' fees, within thirty days of acceptance of the offer of judgment. The demonstration of ability to pay shall include a sworn statement signed by the declarant, the attorney representing the declarant, and, if any insurance proceeds will be used to fund any portion of the offer, an authorized representative of the insurance company. If the association or party unit owner disputes the adequacy of the declarant's demonstration of ability to pay, the association or party unit owner may file a motion with the court requesting a ruling on the adequacy of the declarant's demonstration of ability to pay. Upon filing of such motion, the deadline for a response to the offer shall be tolled from the date the motion is filed until the court has ruled.
- (3) An association or party unit owner that accepts the declarant's offer of judgment shall be deemed the prevailing party and, in addition to recovery of the amount of the offer, shall be entitled to a costs and fees award, including reasonable attorneys' fees, in an amount to be determined by the court in accordance with applicable law.
- (4) If the amount of the final nonappealable or nonappealed judgment, exclusive of costs or fees, is not more favorable to the offeree than the offer of judgment, then the offeror is deemed the prevailing party for purposes of this section only and is entitled to an award of costs and fees, including reasonable attorneys' fees, incurred after the date the last offer of judgment was rejected and through the date of entry of a final nonappealable or nonappealed judgment, in an amount to be determined by the court in accordance with applicable law. The nonprevailing party shall not be entitled to receive any award of costs and fees.
- (5) If the final nonappealable or nonappealed judgment on damages, not including costs or fees, is more favorable to the

- offeree than the last offer of judgment, then the court shall determine which party is the prevailing party and shall determine the amount of the costs and fees award, including reasonable attorneys' fees, in accordance with applicable law.
- 5 (6) Notwithstanding any other provision in this section, with 6 respect to claims brought by an association or unit owner, the 7 liability for declarant's costs and fees, including reasonable 8 attorneys' fees, shall:
- 9 (a) With respect to claims brought by an association, not exceed 10 five percent of the assessed value of the condominium as a whole, 11 which is determined by the aggregate tax-assessed value of all units 12 at the time of the award; and
- 13 (b) With respect to claims brought by a party unit owner, not 14 exceed five percent of the assessed value of the unit at the time of 15 the award.
- NEW SECTION. Sec. 13. Sections 3 through 5 of this act apply only to construction defect claims commenced after the effective date of this section.
- 19 <u>NEW SECTION.</u> **Sec. 14.** Section 9 of this act takes effect 20 January 1, 2024.

Passed by the Senate April 21, 2023. Passed by the House April 20, 2023. Approved by the Governor May 8, 2023. Filed in Office of Secretary of State May 10, 2023.

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CERTIFICATION OF ENROLLMENT

SENATE BILL 5058

Chapter 263, Laws of 2023

68th Legislature 2023 Regular Session

MULTIUNIT RESIDENTIAL BUILDINGS—EXEMPTION—DESIGN, INSPECTIONS, AND CONSTRUCTION DEFECT DISPUTES

EFFECTIVE DATE: July 23, 2023

Passed by the Senate February 15, CERTIFICATE 2023 I, Sarah Bannister, Secretary of Yeas 48 Nays 0 the Senate of the State of Washington, do hereby certify that DENNY HECK the attached is **SENATE BILL 5058** as passed by the Senate and the House President of the Senate of Representatives on the dates hereon set forth. Passed by the House April 12, 2023 Yeas 97 Nays 0 SARAH BANNISTER Secretary LAURIE JINKINS Speaker of the House of Representatives Approved May 4, 2023 10:38 AM FILED May 4, 2023

JAY INSLEE State of Washington

Governor of the State of Washington

SENATE BILL 5058

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Senators Padden, Pedersen, Billig, Fortunato, Holy, Short, and L. Wilson

Prefiled 12/16/22. Read first time 01/09/23. Referred to Committee on Law & Justice.

- 1 AN ACT Relating to exempting buildings with 12 or fewer units
- 2 that are no more than two stories from the definition of multiunit
- 3 residential building; and amending RCW 64.55.010.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 64.55.010 and 2005 c 456 s 2 are each amended to 6 read as follows:
- 7 Unless the context clearly requires otherwise, the definitions in 8 RCW 64.34.020 and in this section apply throughout this chapter.
- 9 (1) "Attached dwelling unit" means any dwelling unit that is 10 attached to another dwelling unit by a wall, floor, or ceiling that 11 separates heated living spaces. A garage is not a heated living 12 space.
- (2) "Building enclosure" means that part of any building, above 13 14 or below grade, that physically separates the outside or exterior 15 environment from interior environments and which weatherproofs, waterproofs, or otherwise protects the building or its components 16 17 from water or moisture intrusion. Interior environments consist of 18 both heated and unheated enclosed spaces. The building enclosure 19 includes, but is not limited to, that portion of roofs, walls, 20 balcony support columns, decks, windows, doors, vents, and other 21 penetrations through exterior walls, which waterproof, weatherproof,

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- 1 or otherwise protect the building or its components from water or moisture intrusion.
 - (3) "Building enclosure design documents" means plans, details, and specifications for the building enclosure that have been stamped by a licensed engineer or architect. The building enclosure design documents shall include details and specifications that appropriate for the building in the professional judgment of the architect or engineer ((which)) who prepared the same to waterproof, weatherproof, and otherwise protect the building or its components from water or moisture intrusion, including details of flashing, intersections at roof, eaves or parapets, means of drainage, waterresistive membrane, and details around openings.
 - (4) "Developer" means:

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- (a) With respect to a condominium or a conversion condominium, 14 15 the declarant; and
 - (b) With respect to all other buildings, an individual, group of individuals, partnership, corporation, association, municipal corporation, state agency, or other entity or person that obtains a building permit for the construction or rehabilitative reconstruction of a multiunit residential building. If a permit is obtained by service providers such as architects, contractors, and consultants who obtain permits for others as part of services rendered for a fee, the person for whom the permit is obtained shall be the developer, not the service provider.
 - (5) "Dwelling unit" has the meaning given to that phrase or similar phrases in the ordinances of the jurisdiction issuing the permit for construction of the building enclosure but if such ordinances do not provide a definition, then "dwelling unit" means a residence containing living, cooking, sleeping, and sanitary facilities.
 - (6) "Multiunit residential building" means:
- 32 (a) A building containing more than two attached dwelling units, including a building containing nonresidential units if the building 33 also contains more than two attached dwelling units, but excluding 34 the following classes of buildings: 35
 - (i) Hotels and motels;
- 37 (ii) Dormitories;
- (iii) Care facilities; 38
- (iv) Floating homes; 39

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- 1 (v) A building that contains attached dwelling units that are 2 each located on a single platted lot, except as provided in (b) of 3 this subsection;
- 4 (vi) A building in which all of the dwelling units are held under 5 one ownership and is subject to a recorded irrevocable sale 6 prohibition covenant; and
 - (vii) A building with 12 or fewer units that is no more than two stories.

- (b) If the developer submits to the appropriate building department when applying for the building permit described in RCW 64.55.020 a statement that the developer elects to treat the improvement for which a permit is sought as a multiunit residential building for all purposes under this chapter, then "multiunit residential building" also means the following buildings for which such election has been made:
 - (i) A building containing only two attached dwelling units;
- (ii) A building that does not contain attached dwelling units; and
- (iii) Any building that contains attached dwelling units each of which is located on a single platted lot.
 - (7) "Party unit owner" means a unit owner who is a named party to an action subject to this chapter and does not include any unit owners whose involvement with the action stems solely from their membership in the association.
- (8) "Qualified building inspector" means a person satisfying the requirements of RCW 64.55.040.
 - (9) "Rehabilitative construction" means construction work on the building enclosure of a multiunit residential building if the cost of such construction work is more than five percent of the assessed value of the building.
- (10) "Sale prohibition covenant" means a recorded covenant that prohibits the sale or other disposition of individual dwelling units as or as part of a condominium for five years or more from the date of first occupancy except as otherwise provided in RCW 64.55.090, a certified copy of which the developer shall submit to the appropriate building department; provided such covenant shall not apply to sales or dispositions listed in RCW 64.34.400(2). The covenant must be recorded in the county in which the building is located and must be in substantially the following form:

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This covenant has been recorded in the real property records of County, Washington, in satisfaction of the requirements of RCW 64.55.010 through 64.55.090. The undersigned is the owner of the property described on Exhibit A (the "Property"). Until termination of this covenant, no dwelling unit in or on the Property may be sold as a condominium unit except for sales listed in RCW 64.34.400(2).

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This covenant terminates on the earlier of either: (a) Compliance with the requirements of RCW 64.55.090, as certified by the owner of the Property in a recorded supplement hereto; or (b) the fifth anniversary of the date of first occupancy of a dwelling unit as certified by the Owner in a recorded supplement hereto.

All title insurance companies and persons acquiring an interest in the Property may rely on the forgoing certifications without further inquiry in issuing any policy of title insurance or in acquiring an interest in the Property.

(11) "Stamped" means bearing the stamp and signature of the responsible licensed architect or engineer on the title page, and on every sheet of the documents, drawings, or specifications, including modifications to the documents, drawings, and specifications that become part of change orders or addenda to alter those documents, drawings, or specifications.

Passed by the Senate February 15, 2023. Passed by the House April 12, 2023. Approved by the Governor May 4, 2023. Filed in Office of Secretary of State May 4, 2023.

--- END ---

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CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1181

Chapter 228, Laws of 2023

68th Legislature 2023 Regular Session

CLIMATE CHANGE—PLANNING

EFFECTIVE DATE: July 23, 2023

Passed by the House April 13, 2023 Yeas 55 Nays 41

LAURIE JINKINS

Speaker of the House of Representatives

Passed by the Senate April 7, 2023 Yeas 29 Nays 20

DENNY HECK

President of the Senate

Approved May 3, 2023 10:18 AM

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1181 as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 4, 2023

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1181

AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

State of Washington

68th Legislature 2023 Regular Session

By House Appropriations (originally sponsored by Representatives Duerr, Fitzgibbon, Berry, Peterson, Ryu, Alvarado, Taylor, Reed, Walen, Bateman, Ramel, Goodman, Doglio, Macri, Callan, Simmons, Lekanoff, Gregerson, Bergquist, Stonier, Pollet, Davis, Kloba, Riccelli, Mena, and Tharinger; by request of Office of the Governor)

READ FIRST TIME 02/14/23.

- AN ACT Relating to improving the state's climate response through 1 2 updates to the state's planning framework; amending RCW 36.70A.020, 3 36.70A.480, 36.70A.280, 36.70A.320, 36.70A.190, 36.70A.030, and 70A.125.180; reenacting and amending RCW 36.70A.070 4 and 36.70A.130; adding new sections to chapter 36.70A RCW; adding a 5 new section to chapter 70A.45 RCW; adding a new section to chapter 6 47.80 RCW; adding a new section to chapter 90.58 RCW; adding a new 8 section to chapter 43.21C RCW; adding a new section to chapter 43.20 RCW; creating a new section; and providing an expiration date. 9
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 10
- 11 Sec. 1. RCW 36.70A.020 and 2021 c 254 s 1 are each amended to 12 read as follows:
- 13 The following goals are adopted to guide the development and 14 adoption of comprehensive plans and development regulations of those 15 counties and cities that are required or choose to plan under RCW 16 36.70A.040 and, where specified, also quide the development of 17 regional policies, plans, and strategies adopted under RCW 36.70A.210 18 and chapter 47.80 RCW. The following goals are not listed in order of 19 priority and shall be used exclusively for the purpose of guiding the 20 development of comprehensive plans ((and)), development regulations,
- 21 and, where specified, regional plans, policies, and strategies:

1 (1) Urban growth. Encourage development in urban areas where 2 adequate public facilities and services exist or can be provided in 3 an efficient manner.

- (2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- (3) Transportation. Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled, and are based on regional priorities and coordinated with county and city comprehensive plans.
- (4) Housing. Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
- (6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
 - (7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- (8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.
- (9) Open space and recreation. Retain open space <u>and green space</u>, enhance recreational opportunities, ((conserve)) <u>enhance</u> fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

- 1 (10) Environment. Protect <u>and enhance</u> the environment and enhance 2 the state's high quality of life, including air and water quality, 3 and the availability of water.
- 4 (11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.

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- (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- (13) Historic preservation. Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.
- 17 (14) Climate change and resiliency. Ensure that comprehensive plans, development regulations, and regional policies, plans, and 18 19 strategies under RCW 36.70A.210 and chapter 47.80 RCW adapt to and mitigate the effects of a changing climate; support reductions in 20 greenhouse gas emissions and per capita vehicle miles traveled; 21 prepare for climate impact scenarios; foster resiliency to climate 22 23 impacts and natural hazards; protect and enhance environmental, economic, and human health and safety; and advance environmental 24 25 justice.
- 26 (15) Shorelines of the state. For shorelines of the state, the 27 goals and policies of the shoreline management act as set forth in 28 RCW 90.58.020 shall be considered an element of the county's or 29 city's comprehensive plan.
- 30 **Sec. 2.** RCW 36.70A.480 and 2010 c 107 s 2 are each amended to 31 read as follows:
 - (1) For shorelines of the state, the goals and policies of the shoreline management act as set forth in RCW 90.58.020 are added as one of the goals of this chapter as set forth in RCW 36.70A.020 without creating an order of priority among the ((fourteen)) 15 goals. The goals and policies of a shoreline master program for a county or city approved under chapter 90.58 RCW shall be considered an element of the county or city's comprehensive plan. All other portions of the shoreline master program for a county or city adopted

under chapter 90.58 RCW, including use regulations, shall be considered a part of the county or city's development regulations.

- (2) The shoreline master program shall be adopted pursuant to the procedures of chapter 90.58 RCW rather than the goals, policies, and procedures set forth in this chapter for the adoption of a comprehensive plan or development regulations.
- (3) (a) The policies, goals, and provisions of chapter 90.58 RCW and applicable guidelines shall be the sole basis for determining compliance of a shoreline master program with this chapter except as the shoreline master program is required to comply with the internal consistency provisions of RCW 36.70A.070, 36.70A.040(4), 35.63.125, and 35A.63.105.
- (b) Except as otherwise provided in (c) of this subsection, development regulations adopted under this chapter to protect critical areas within shorelines of the state apply within shorelines of the state until the department of ecology approves one of the following: A comprehensive master program update, as defined in RCW 90.58.030; a segment of a master program relating to critical areas, as provided in RCW 90.58.090; or a new or amended master program approved by the department of ecology on or after March 1, 2002, as provided in RCW 90.58.080. The adoption or update of development regulations to protect critical areas under this chapter prior to department of ecology approval of a master program update as provided in this subsection is not a comprehensive or segment update to the master program.
- (c) (i) Until the department of ecology approves a master program or segment of a master program as provided in (b) of this subsection, a use or structure legally located within shorelines of the state that was established or vested on or before the effective date of the local government's development regulations to protect critical areas may continue as a conforming use and may be redeveloped or modified if: (A) The redevelopment or modification is consistent with the local government's master program; and (B) the local government determines that the proposed redevelopment or modification will result in no net loss of shoreline ecological functions. The local government may waive this requirement if the redevelopment or modification is consistent with the master program and the local government's development regulations to protect critical areas.
- (ii) For purposes of this subsection (3)(c), an agricultural activity that does not expand the area being used for the

agricultural activity is not a redevelopment or modification.

"Agricultural activity," as used in this subsection (3)(c), has the

same meaning as defined in RCW 90.58.065.

- (d) Upon department of ecology approval of a shoreline master program or critical area segment of a shoreline master program, critical areas within shorelines of the state are protected under chapter 90.58 RCW and are not subject to the procedural and substantive requirements of this chapter, except as provided in subsection (6) of this section. Nothing in chapter 321, Laws of 2003 or chapter 107, Laws of 2010 is intended to affect whether or to what extent agricultural activities, as defined in RCW 90.58.065, are subject to chapter 36.70A RCW.
- (e) The provisions of RCW 36.70A.172 shall not apply to the adoption or subsequent amendment of a local government's shoreline master program and shall not be used to determine compliance of a local government's shoreline master program with chapter 90.58 RCW and applicable guidelines. Nothing in this section, however, is intended to limit or change the quality of information to be applied in protecting critical areas within shorelines of the state, as required by chapter 90.58 RCW and applicable guidelines.
- (4) Shoreline master programs shall provide a level of protection to critical areas located within shorelines of the state that assures no net loss of shoreline ecological functions necessary to sustain shoreline natural resources as defined by department of ecology guidelines adopted pursuant to RCW 90.58.060.
- (5) Shorelines of the state shall not be considered critical areas under this chapter except to the extent that specific areas located within shorelines of the state qualify for critical area designation based on the definition of critical areas provided by RCW $36.70A.030((\frac{(5)}{1}))$ (6) and have been designated as such by a local government pursuant to RCW 36.70A.060(2).
- (6) If a local jurisdiction's master program does not include land necessary for buffers for critical areas that occur within shorelines of the state, as authorized by RCW $90.58.030(2)((\frac{f}{f}))$ (d), then the local jurisdiction shall continue to regulate those critical areas and their required buffers pursuant to RCW 36.70A.060(2).
- **Sec. 3.** RCW 36.70A.070 and 2022 c 246 s 2 and 2022 c 220 s 1 are 39 each reenacted and amended to read as follows:

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

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A land use element designating the proposed general (1)distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces and green spaces, urban and community forests within the urban growth area, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. The land use element must give special consideration to achieving environmental justice in its goals and policies, including efforts to avoid creating or worsening environmental health disparities. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity and reduce per capita vehicle miles traveled within the jurisdiction, but without increasing greenhouse gas emissions elsewhere in the state. Where applicable, the land use element shall review drainage, flooding, and stormwater runoff in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound. The land use element must reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools, which may include, but are not limited to, adoption of portions or all of the wildland urban interface code developed by the international code council or developing building and maintenance standards consistent with the firewise USA program or similar program designed to reduce wildfire <u>risk</u>, <u>reducing wildfire risks to residential development in</u> high risk areas and the wildland urban interface area, separating human development from wildfire prone landscapes, and protecting 1 existing residential development and infrastructure through community
2 wildfire preparedness and fire adaptation measures.

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- (2) A housing element ensuring the vitality and character of established residential neighborhoods that:
- (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including:
- 9 (i) Units for moderate, low, very low, and extremely low-income 10 households; and
- 11 (ii) Emergency housing, emergency shelters, and permanent 12 supportive housing;
 - (b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;
 - (c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;
 - (d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:
- 28 (i) Incorporating consideration for low, very low, extremely low, 29 and moderate-income households;
- 30 (ii) Documenting programs and actions needed to achieve housing 31 availability including gaps in local funding, barriers such as 32 development regulations, and other limitations;
- 33 (iii) Consideration of housing locations in relation to 34 employment location; and
- 35 (iv) Consideration of the role of accessory dwelling units in 36 meeting housing needs;
- 37 (e) Identifies local policies and regulations that result in 38 racially disparate impacts, displacement, and exclusion in housing, 39 including:
 - (i) Zoning that may have a discriminatory effect;

(ii) Disinvestment; and

- (iii) Infrastructure availability;
- (f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;
- (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- (h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

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

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

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, including green infrastructure, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if

probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

The county or city shall identify all public entities that own capital facilities and endeavor in good faith to work with other public entities, such as special purpose districts, to gather and include within its capital facilities element the information required by this subsection. If, after a good faith effort, the county or city is unable to gather the information required by this subsection from the other public entities, the failure to include such information in its capital facilities element cannot be grounds for a finding of noncompliance or invalidity under this act. A good faith effort must, at a minimum, include consulting the public entity's capital facility or system plans and emailing and calling the staff of the public entity.

- (4) (a) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities $((\tau))$ including, but not limited to, electrical $((\frac{1}{2}))$, $(\frac{1}{2})$, $\frac{1}{2}$ ($\frac{1}{2}$) $\frac{1}{2}$) $\frac{1}{2}$ $\frac{1}{2}$ 0 $\frac{1}{2$
- (b) The county or city shall identify all public entities that own utility systems and endeavor in good faith to work with other public entities, such as special purpose districts, to gather and include within its utilities element the information required in (a) of this subsection. However, if, after a good faith effort, the county or city is unable to gather the information required in (a) of this subsection from the other public entities, the failure to include such information in the utilities element shall not be grounds for a finding of noncompliance or invalidity under this act. A good faith effort must, at a minimum, include consulting the public entity's capital facility or system plans, and emailing and calling the staff of the public entity.
- (5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:
- (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of

- rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural 5 6 development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, 7 essential public facilities, and rural governmental services needed 8 to serve the permitted densities and uses. To achieve a variety of 9 rural densities and uses, counties may provide for clustering, 10 density transfer, design guidelines, conservation easements, and 11 12 other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized 13 by urban growth and that are consistent with rural character. 14
 - (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
 - (i) Containing or otherwise controlling rural development;

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- (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- 21 (iii) Reducing the inappropriate conversion of undeveloped land 22 into sprawling, low-density development in the rural area;
- (iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and
 - (v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.
 - (d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:
- 33 (i) Rural development consisting of the infill, development, or 34 redevelopment of existing commercial, industrial, residential, or 35 mixed-use areas, whether characterized as shoreline development, 36 villages, hamlets, rural activity centers, or crossroads 37 developments.
- 38 (A) A commercial, industrial, residential, shoreline, or mixed-39 use area are subject to the requirements of (d)(iv) of this

subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.

- (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
- (C) Any development or redevelopment in terms of building size, scale, use, or intensity may be permitted subject to confirmation from all existing providers of public facilities and public services of sufficient capacity of existing public facilities and public services to serve any new or additional demand from the new development or redevelopment. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5) and is consistent with the local character. Any commercial development or redevelopment within a mixed-use area must be principally designed to serve the existing and projected rural population and must meet the following requirements:
- (I) Any included retail or food service space must not exceed the footprint of previously occupied space or 5,000 square feet, whichever is greater, for the same or similar use; and
- 22 (II) Any included retail or food service space must not exceed 23 2,500 square feet for a new use;
 - (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
 - (iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with

the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

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- (iv) A county shall adopt measures to minimize and contain the 10 11 existing areas of more intensive rural development, as appropriate, 12 authorized under this subsection. Lands included in such existing areas shall not extend beyond the logical outer boundary of the 13 existing area, thereby allowing a new pattern of low-density sprawl. 14 Existing areas are those that are clearly identifiable and contained 15 16 and where there is a logical boundary delineated predominately by the 17 built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish 18 the logical outer boundary of an area of more intensive rural 19 development. In establishing the logical outer boundary, the county 20 21 shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such 22 as bodies of water, streets and highways, and land forms and 23 contours, (C) the prevention of abnormally irregular boundaries, and 24 25 (D) the ability to provide public facilities and public services in a 26 manner that does not permit low-density sprawl;
 - (v) For purposes of this subsection (5)(d), an existing area or existing use is one that was in existence:
- 29 (A) On July 1, 1990, in a county that was initially required to 30 plan under all of the provisions of this chapter;
 - (B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or
 - (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).
- 38 (e) Exception. This subsection shall not be interpreted to permit 39 in the rural area a major industrial development or a master planned

- resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.
 - (6) A transportation element that implements, and is consistent with, the land use element.
 - (a) The transportation element shall include the following subelements:
 - (i) Land use assumptions used in estimating travel;

- (ii) Estimated ((traffic)) multimodal level of service impacts to state-owned transportation facilities resulting from land use assumptions to assist ((the department of transportation)) in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;
 - (iii) Facilities and services needs, including:
- (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments, active transportation facilities, and general aviation airport facilities, to define existing capital facilities and travel levels ((as a basis for)) to inform future planning. This inventory must include stateowned transportation facilities within the city or county's jurisdictional boundaries;
- (B) ((Level)) Multimodal level of service standards for all locally owned arterials ((and)), locally and regionally operated transit routes that serve urban growth areas, state-owned or operated transit routes that serve urban areas if the department of transportation has prepared such standards, and active transportation facilities to serve as a gauge to judge performance of the system and success in helping to achieve the goals of this chapter consistent with environmental justice. These standards should be regionally coordinated;
- (C) For state-owned transportation facilities, <u>multimodal</u> level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting <u>multimodal</u> level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, <u>active transportation</u>, or transit program and the office of financial management's ten-year investment program. The concurrency requirements of (b) of this subsection do not apply to

transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

- (D) Specific actions and requirements for bringing into compliance ((locally owned)) transportation facilities or services that are below an established <u>multimodal</u> level of service standard;
- (E) Forecasts of ((traffie)) multimodal transportation demand and needs within cities and urban growth areas, and forecasts of multimodal transportation demand and needs outside of cities and urban growth areas, for at least ten years based on the adopted land use plan to ((provide information on the location, timing, and capacity needs of future growth)) inform the development of a transportation element that balances transportation system safety and convenience to accommodate all users of the transportation system to safely, reliably, and efficiently provide access and mobility to people and goods. Priority must be given to inclusion of transportation facilities and services providing the greatest multimodal safety benefit to each category of roadway users for the context and speed of the facility;
- (F) Identification of state and local system needs to <u>equitably</u> meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW. <u>Local system needs should reflect the regional transportation system and local goals, and strive to equitably implement the multimodal network;</u>
- (G) A transition plan for transportation as required in Title II of the Americans with disabilities act of 1990 (ADA). As a necessary step to a program access plan to provide accessibility under the ADA, state and local government, public entities, and public agencies are required to perform self-evaluations of their current facilities, relative to accessibility requirements of the ADA. The agencies are then required to develop a program access plan, which can be called a transition plan, to address any deficiencies. The plan is intended to achieve the following:
- 38 <u>(I) Identify physical obstacles that limit the accessibility of</u> 39 <u>facilities to individuals with disabilities;</u>

- 1 (II) Describe the methods to be used to make the facilities 2 accessible;
 - (III) Provide a schedule for making the access modifications; and
 - (IV) Identify the public officials responsible for implementation of the transition plan;
 - (iv) Finance, including:

- (A) An analysis of funding capability to judge needs against probable funding resources;
- (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;
- (C) If probable funding falls short of meeting the identified needs of the transportation system, including state transportation facilities, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
- (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
 - (vi) Demand-management strategies;
- (vii) ((Pedestrian and bicycle)) Active transportation component to include collaborative efforts to identify and designate planned improvements for ((pedestrian and bicycle)) active transportation facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.
- (b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned or locally or regionally operated transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include ((increased)) active transportation facility improvements, increased

- or enhanced public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city. \underline{A} development proposal may not be denied for causing the level of service on a locally owned or locally or regionally operated transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan where such impacts could be adequately mitigated through active transportation facility improvements, increased or enhanced public transportation service, ride-sharing programs, demand management, or other transportation systems management strategies funded by the development.
 - (c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.

- (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.
- (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; (c) an evaluation of tree canopy coverage within the urban growth area; and ((c)) (d) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.
- (9) (a) A climate change and resiliency element that is designed to result in reductions in overall greenhouse gas emissions and that must enhance resiliency to and avoid the adverse impacts of climate change, which must include efforts to reduce localized greenhouse gas

- emissions and avoid creating or worsening localized climate impacts to vulnerable populations and overburdened communities.
- 3 <u>(b) The climate change and resiliency element shall include the</u> 4 <u>following subelements:</u>
 - (i) A greenhouse gas emissions reduction subelement;
- 6 <u>(ii) A resiliency subelement.</u>

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- 7 (c) The greenhouse gas emissions reduction subelement of the climate change and resiliency element is mandatory for the 8 jurisdictions specified in section 4(1) of this act and is encouraged 9 for all other jurisdictions, including those planning under RCW 10 36.70A.040 and those planning under chapter 36.70 RCW. The resiliency 11 12 subelement of the climate change and resiliency element is mandatory for all jurisdictions planning under RCW 36.70A.040 and is encouraged 13 14 for those jurisdictions planning under chapter 36.70 RCW.
 - (d) (i) The greenhouse gas emissions reduction subelement of the comprehensive plan, and its related development regulations, must identify the actions the jurisdiction will take during the planning cycle consistent with the guidelines published by the department pursuant to section 5 of this act that will:
 - (A) Result in reductions in overall greenhouse gas emissions generated by transportation and land use within the jurisdiction but without increasing greenhouse gas emissions elsewhere in the state;
 - (B) Result in reductions in per capita vehicle miles traveled within the jurisdiction but without increasing greenhouse gas emissions elsewhere in the state; and
 - (C) Prioritize reductions that benefit overburdened communities in order to maximize the cobenefits of reduced air pollution and environmental justice.
 - (ii) Actions not specifically identified in the guidelines developed by the department pursuant to section 5 of this act may be considered consistent with these guidelines only if:
- 32 (A) They are projected to achieve greenhouse gas emissions 33 reductions or per capita vehicle miles traveled reductions equivalent 34 to what would be required of the jurisdiction under the guidelines 35 adopted by the department; and
- 36 (B) They are supported by scientifically credible projections and scenarios that indicate their adoption is likely to result in reductions of greenhouse gas emissions or per capita vehicle miles traveled.

- 1 (iii) A jurisdiction may not restrict population growth or limit
 2 population allocation in order to achieve the requirements set forth
 3 in this subsection (9)(d).
- (e) (i) The resiliency subelement must equitably enhance 4 resiliency to, and avoid or substantially reduce the adverse impacts 5 6 of, climate change in human communities and ecological systems through goals, policies, and programs consistent with the best 7 available science and scientifically credible climate projections and 8 impact scenarios that moderate or avoid harm, enhance the resiliency 9 of natural and human systems, and enhance beneficial opportunities. 10 The resiliency subelement must prioritize actions that benefit 11 overburdened communities that will disproportionately suffer from 12 compounding environmental impacts and will be most impacted by 13 natural hazards due to climate change. Specific goals, policies, and 14 programs of the resiliency subelement must include, but are not 15 16 limited to, those designed to:
- 17 <u>(A) Identify, protect, and enhance natural areas to foster</u>
 18 <u>resiliency to climate impacts, as well as areas of vital habitat for</u>
 19 <u>safe passage and species migration;</u>

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- (B) Identify, protect, and enhance community resiliency to climate change impacts, including social, economic, and built environment factors, that support adaptation to climate impacts consistent with environmental justice; and
- (C) Address natural hazards created or aggravated by climate change, including sea level rise, landslides, flooding, drought, heat, smoke, wildfire, and other effects of changes to temperature and precipitation patterns.
- (ii) A natural hazard mitigation plan or similar plan that is guided by RCW 36.70A.020(14), that prioritizes actions that benefit overburdened communities, and that complies with the applicable requirements of this chapter, including the requirements set forth in this subsection (9)(e), may be adopted by reference to satisfy these requirements, except that to the extent any of the substantive requirements of this subsection (9)(e) are not addressed, or are inadequately addressed, in the referenced natural hazard mitigation plan, a county or city must supplement the natural hazard mitigation plan accordingly so that the adopted resiliency subelement complies fully with the substantive requirements of this subsection (9)(e).
- (A) If a county or city intends to adopt by reference a federal emergency management agency natural hazard mitigation plan in order

to meet all or part of the substantive requirements set forth in this subsection (9)(e), and the most recently adopted federal emergency management agency natural hazard mitigation plan does not comply with the requirements of this subsection (9)(e), the department may grant the county or city an extension of time in which to submit a natural hazard mitigation plan.

- (B) Eligibility for an extension under this subsection prior to July 1, 2027, is limited to a city or county required to review and, if needed, revise its comprehensive plan on or before June 30, 2025, as provided in RCW 36.70A.130, or for a city or county with an existing, unexpired federal emergency management agency natural hazard mitigation plan scheduled to expire before December 31, 2024.
- (C) Extension requests after July 1, 2027, may be granted if requirements for the resiliency subelement are amended or added by the legislature or if the department finds other circumstances that may result in a potential finding of noncompliance with a jurisdiction's existing and approved federal emergency management agency natural hazard mitigation plan.
- (D) A city or county that wishes to request an extension of time must submit a request in writing to the department no later than the date on which the city or county is required to review and, if needed, revise its comprehensive plan as provided in RCW 36.70A.130.
- (E) Upon the submission of such a request to the department, the city or county may have an additional 48 months from the date provided in RCW 36.70A.130 in which to either adopt by reference an updated federal emergency management agency natural hazard mitigation plan or adopt its own natural hazard mitigation plan, and to then submit that plan to the department.
- (F) The adoption of ordinances, amendments to comprehensive plans, amendments to development regulations, and other nonproject actions taken by a county or city pursuant to (d) of this subsection in order to implement measures specified by the department pursuant to section 5 of this act are not subject to administrative or judicial appeal under chapter 43.21C RCW.
- (10) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and

- distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.
- 3 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 36.70A 4 RCW to read as follows:

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- (1) The requirements of the greenhouse gas emissions reduction subelement of the climate change and resiliency element set forth in RCW 36.70A.070 apply only to those counties that are required or that choose to plan under RCW 36.70A.040 and that also meet either of the criteria set forth in (a), (b), or (c) of this subsection on or after April 1, 2021, and the cities with populations greater than 6,000 as of April 1, 2021, within those counties:
- 12 (a) A county with a population density of at least 100 people per 13 square mile and a population of at least 200,000;
 - (b) A county bordering on the Columbia and Snake rivers with a population density of at least 75 people per square mile and an annual growth rate of at least 1.65 percent; or
 - (c) A county located to the west of the crest of the Cascade mountains with a population of at least 130,000.
 - (2) The requirements of the amendments to the transportation element of RCW 36.70A.070 set forth in this act apply only to: (a) Counties and cities that meet the population criteria set forth in subsection (1) of this section; and (b) cities with populations of 6,000 or greater as of April 1, 2021, that are located in a county that is required or that chooses to plan under RCW 36.70A.040.
 - (3) The requirements of the amendments to the land use element of RCW 36.70A.070 set forth in this act apply only to: (a) Counties and cities that meet the population criteria set forth in subsection (1) or (2) of this section; and (b) counties that have a population of 20,000 or greater as of April 1, 2021, and that are required or that choose to plan under RCW 36.70A.040.
 - (4) Once a county meets either of the sets of criteria set forth in subsection (1) of this section, the requirement to conform with the greenhouse gas emissions reduction subelement of the climate change and resiliency element set forth in RCW 36.70A.070 remains in effect, even if the county no longer meets one of these sets of criteria.
- 37 (5) If the population of a county that previously had not been 38 required to conform with the greenhouse gas emissions reduction 39 subelement of the climate change and resiliency element set forth in

- 1 RCW 36.70A.070 changes sufficiently to meet either of the sets of 2 criteria set forth in subsection (1) of this section, the county, and 3 the cities with populations greater than 6,000 as of April 1, 2021, 4 within that county, shall adopt a greenhouse gas emissions reduction 5 subelement of the climate change and resiliency element set forth in 6 RCW 36.70A.070 at the next scheduled update of the comprehensive plan 7 as set forth in RCW 36.70A.130.
- 8 (6) The population criteria used in this section must be based on 9 population data as determined by the office of financial management.

NEW SECTION. Sec. 5. A new section is added to chapter 70A.45 RCW to read as follows:

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- The department of commerce, in consultation with the department of ecology, the department of health, and the department of transportation, shall publish guidelines that specify a set of measures counties and cities may implement via updates to their comprehensive plans and development regulations that have a demonstrated ability to increase housing capacity within urban growth areas or reduce greenhouse gas emissions, allowing for consideration of the emissions reductions achieved through the adoption of statewide programs. The guidelines must prioritize measures that benefit overburdened communities, including communities that have experienced disproportionate harm due to air pollution and may draw upon the most recent health disparities data from the department of health to identify high pollution areas and disproportionately burdened communities. These guidelines must be developed consistent with an environmental justice assessment pursuant to RCW 70A.02.060 and the guidelines must include environmental justice assessment processes. The guidelines must be based on:
- 29 (a) The most recent greenhouse gas emissions report prepared by 30 the department of ecology and the department of commerce pursuant to 31 RCW 70A.45.020(2);
 - (b) The most recent city and county population estimates prepared by the office of financial management pursuant to RCW 43.62.035;
- 34 (c) The locations of major employment centers and transit 35 corridors, for the purpose of increasing housing supply in these 36 areas; and
- 37 (d) Available environmental justice data and data regarding 38 access to public transportation for people with disabilities and for 39 vulnerable populations.

- (2) (a) The department of commerce, in consultation with the department of transportation, shall publish guidelines that specify a set of measures counties and cities may have available to them to take through updates to their comprehensive plans and development regulations that have a demonstrated ability to reduce per capita vehicle miles traveled, including measures that are designed to be achievable throughout the state, including in small cities and rural cities.
 - (b) The guidelines must be based on:

- 10 (i) The most recent greenhouse gas emissions report prepared by 11 the department of ecology and the department of commerce pursuant to 12 RCW 70A.45.020(2);
 - (ii) The most recent city and county population estimates prepared by the office of financial management pursuant to RCW 43.62.035; and
- 16 (iii) The most recent summary of per capita vehicle miles 17 traveled as compiled by the department of transportation.
 - (3) The department of commerce shall first publish the full set of guidelines described in subsections (1) and (2) of this section no later than December 31, 2025. The department of commerce shall update these guidelines at least every five years thereafter based on the most recently available data, and shall provide for a process for local governments and other parties to submit alternative actions for consideration for inclusion into the guidelines at least once per year. The department of commerce shall publish an intermediate set of guidelines no later than December 31, 2023, in order to be available for use by jurisdictions whose periodic updates are required by RCW 36.70A.130(5) to occur prior to December 31, 2025. Jurisdictions whose periodic updates are required by RCW 36.70A.130(5)(b) may utilize the intermediate set of guidelines published by the department of commerce to meet the requirements of RCW 36.70A.070(9).
 - (4) (a) In any updates to the guidelines published after 2025, the department of commerce shall include an evaluation of the impact that locally adopted climate change and resiliency elements have had on local greenhouse gas emissions and per capita vehicle miles traveled reduction goals. The evaluation must also address the impact that locally adopted greenhouse gas emissions reduction subelements have had on meeting local housing goals and targets.
- 39 (b) The updates must also include an estimate of the impacts that 40 locally adopted climate change and resiliency elements will have on

achieving local greenhouse gas emissions and per capita vehicle miles traveled reduction goals. The evaluation must also include an estimate of the impact that locally adopted greenhouse gas emissions reduction subelements will have on meeting local housing goals and targets.

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- (c) The department may include in the specified guidelines what additional measures cities and counties should take to make additional progress on local reduction goals, including any measures that increase housing capacity within urban growth areas.
- 10 (5) The department of commerce may not propose or adopt any guidelines that would include any form of a road usage charge or any 12 fees or surcharges related to vehicle miles traveled.
 - (6) The department of commerce may not propose or adopt any guidelines that would direct or require local governments to regulate or tax, in any form, transportation service providers, delivery vehicles, or passenger vehicles.
 - (7) The department of commerce, in the course of implementing this section, shall provide and prioritize options that support increased housing supply and diversity of housing types that assist counties and cities in meeting greenhouse gas emissions reduction, housing supply, and other requirements established under this chapter.
- 23 (8) The provisions of this section as applied to the department 24 of transportation are subject to the availability of amounts 25 appropriated for this specific purpose.
- 26 (9) For purposes of this section, "overburdened communities" and 27 "vulnerable populations" means the same as provided in RCW 36.70A.030.
- NEW SECTION. Sec. 6. A new section is added to chapter 36.70A RCW to read as follows:
- (1) A county or city required to complete a greenhouse gas 31 32 emissions reduction subelement may submit the subelement to the department for approval. When submitted to the department for 33 approval, the subelement becomes effective when approved by the 34 35 department as provided in this section. If a county or city does not seek department approval of the subelement, the effective date of the 36 subelement is the date on which the comprehensive plan is adopted by 37 38 the county or city.

(2) Notice of intent to apply for approval. (a) Not less than 120 days prior to applying for approval of a subelement, the county or city must notify the department in writing that it intends to apply for approval. The department shall review proposed subelements prior to final adoption and advise the county or city of the actions necessary to receive approval.

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- (b) The department may consult with other relevant state agencies in making its determination.
- (c) The department shall publish notice in the Washington State Register that a city or county has notified the department of its intent to apply for approval and the department shall post a copy of the notice on the department website.
- (3) Procedures for an application for approval. (a) After taking final action to adopt a greenhouse gas emissions reduction subelement, a city or county may apply to the department for approval of the subelement. A city or county must submit its application to the department within 10 days of taking final action.
- 18 (b) An application for approval must include, at a minimum, the 19 following:
- 20 (i) A cover letter from the legislative authority requesting 21 approval;
 - (ii) A copy of the adopted ordinance or resolution taking the legislative action or actions required to adopt the greenhouse gas emissions reduction subelement;
 - (iii) A statement explaining how the adopted subelement complies with the provisions of this chapter; and
 - (iv) A copy of the record developed by the city or county at any public meetings or public hearings at which action was taken on the greenhouse gas emissions reduction subelement.
 - (c) For purposes of this subsection, the terms "action" and "meeting" have the same definition as in RCW 42.30.020.
 - (4) Approval procedures. (a) The department shall strive to achieve final action to approve or deny an application within 180 days of the date of receipt of the application.
- 35 (b) The department must issue its decision in the form of a 36 written statement, including findings of fact and conclusions, and 37 noting the date of the issuance of its decision. The department's 38 issued decision must conspicuously and plainly state that it is the 39 department's final decision and that there will be no further

1 modifications to the proposed greenhouse gas emissions reduction 2 subelement.

- (c) The department will promptly publish its decision on the application for approval as follows:
 - (i) Notify the city or county in writing of its determination;
 - (ii) Publish a notice of action in the Washington State Register;
 - (iii) Post a notice of its decision on the agency website; and
- 8 (iv) Notify other relevant state agencies regarding the approval decision.
 - (5) The department shall approve a proposed greenhouse gas emissions reduction subelement unless it determines that the proposed greenhouse gas emissions reduction subelement is not consistent with the policy of RCW 36.70A.070 and, after they are adopted, the applicable guidelines.
 - (6) The department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendment by a local government planning under RCW 36.70A.040 may be appealed according to the following provisions:
 - (a) The department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendment by a local government planning under RCW 36.70A.040 may be appealed to the growth management hearings board by filing a petition as provided in RCW 36.70A.290.
 - (b) A decision of the growth management hearings board concerning an appeal of the department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendment must be based solely on whether or not the adopted or amended greenhouse gas emissions reduction subelement, any adopted amendments to other elements of the comprehensive plan necessary to carry out the subelement, and any adopted or amended development regulations necessary to implement the subelement, comply with the goal set forth in RCW 36.70A.020(14) as it applies to greenhouse gas emissions reductions, RCW 36.70A.070(9) excluding RCW 36.70A.070(9)(e), the guidelines adopted under section 5 of this act applicable to the greenhouse gas emissions reduction subelement, or chapter 43.21C RCW.
- **Sec. 7.** RCW 36.70A.280 and 2011 c 360 s 17 are each amended to read as follows:
- 38 (1) The growth management hearings board shall hear and determine 39 only those petitions alleging either:

(a) That, except as provided otherwise by this subsection, a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW. Nothing in this subsection authorizes the board to hear petitions alleging noncompliance with RCW 36.70A.5801;

- (b) That the ((twenty)) <u>20</u>-year growth management planning population projections adopted by the office of financial management pursuant to RCW 43.62.035 should be adjusted;
 - (c) That the approval of a work plan adopted under RCW 36.70A.735(1)(a) is not in compliance with the requirements of the program established under RCW 36.70A.710;
 - (d) That regulations adopted under RCW 36.70A.735(1)(b) are not regionally applicable and cannot be adopted, wholly or partially, by another jurisdiction; ((or))
 - (e) That a department certification under RCW 36.70A.735(1)(c) is erroneous; or
 - (f) That the department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendments by a local government planning under RCW 36.70A.040 was not in compliance with the joint guidance issued by the department pursuant to section 5 of this act.
 - (2) A petition may be filed only by: (a) The state, or a county or city that plans under this chapter; (b) a person who has participated orally or in writing before the county or city regarding the matter on which a review is being requested; (c) a person who is certified by the governor within ((sixty)) 60 days of filing the request with the board; or (d) a person qualified pursuant to RCW 34.05.530.
- (3) For purposes of this section "person" means any individual, partnership, corporation, association, state agency, governmental subdivision or unit thereof, or public or private organization or entity of any character.
- 36 (4) To establish participation standing under subsection (2)(b) 37 of this section, a person must show that his or her participation 38 before the county or city was reasonably related to the person's 39 issue as presented to the board.

(5) When considering a possible adjustment to a growth management planning population projection prepared by the office of financial management, the board shall consider the implications of any such adjustment to the population forecast for the entire state.

The rationale for any adjustment that is adopted by the board must be documented and filed with the office of financial management within ten working days after adoption.

If adjusted by the board, a county growth management planning population projection shall only be used for the planning purposes set forth in this chapter and shall be known as the "board adjusted population projection." None of these changes shall affect the official state and county population forecasts prepared by the office of financial management, which shall continue to be used for state budget and planning purposes.

- **Sec. 8.** RCW 36.70A.320 and 1997 c 429 s 20 are each amended to 16 read as follows:
 - (1) Except as provided in subsections (5) and (6) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.
 - (2) Except as otherwise provided in subsection (4) of this section, the burden is on the petitioner to demonstrate that any action taken by a state agency, county, or city under this chapter is not in compliance with the requirements of this chapter.
 - (3) In any petition under this chapter, the board, after full consideration of the petition, shall determine whether there is compliance with the requirements of this chapter. In making its determination, the board shall consider the criteria adopted by the department under RCW 36.70A.190(4). The board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter.
 - (4) A county or city subject to a determination of invalidity made under RCW 36.70A.300 or 36.70A.302 has the burden of demonstrating that the ordinance or resolution it has enacted in response to the determination of invalidity will no longer substantially interfere with the fulfillment of the goals of this chapter under the standard in RCW 36.70A.302(1).

- 1 (5) The shoreline element of a comprehensive plan and the 2 applicable development regulations adopted by a county or city shall 3 take effect as provided in chapter 90.58 RCW.
- 4 (6) The greenhouse gas emissions reduction subelement required by 5 RCW 36.70A.070 shall take effect as provided in section 6 of this 6 act.
- **Sec. 9.** RCW 36.70A.190 and 2022 c 252 s 5 are each amended to 8 read as follows:

- (1) The department shall establish a program of technical and financial assistance and incentives to counties and cities to encourage and facilitate the adoption and implementation of comprehensive plans and development regulations throughout the state.
- (2) The department shall develop a priority list and establish funding levels for planning and technical assistance grants both for counties and cities that plan under RCW 36.70A.040. Priority for assistance shall be based on a county's or city's population growth rates, commercial and industrial development rates, the existence and quality of a comprehensive plan and development regulations, the presence of overburdened communities, and other relevant factors. The department shall establish funding levels for grants to community-based organizations for the specific purpose of advancing participation of vulnerable populations and overburdened communities in the planning process.
- (3) The department shall develop and administer a grant program to provide direct financial assistance to counties and cities for the preparation of comprehensive plans under this chapter. The department may establish provisions for county and city matching funds to conduct activities under this subsection. Grants may be expended for any purpose directly related to the preparation of a county or city comprehensive plan as the county or city and the department may agree, including, without limitation, the conducting of surveys, inventories and other data gathering and management activities, the retention of planning consultants, contracts with regional councils for planning and related services, and other related purposes.
- (4) The department shall establish a program of technical assistance:
- 37 (a) Utilizing department staff, the staff of other state 38 agencies, and the technical resources of counties and cities to help 39 in the development of comprehensive plans required under this

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chapter. The technical assistance may include, but not be limited to, model land use ordinances, regional education and training programs, and information for local and regional inventories; and

- (b) Adopting by rule procedural criteria to assist counties and cities in adopting comprehensive plans and development regulations that meet the goals and requirements of this chapter. These criteria shall reflect regional and local variations and the diversity that exists among different counties and cities that plan under this chapter.
- (5) The department shall provide mediation services to resolve disputes between counties and cities regarding, among other things, coordination of regional issues and designation of urban growth areas.
- (6) The department shall provide services to facilitate the timely resolution of disputes between a federally recognized Indian tribe and a city or county.
- (a) A federally recognized Indian tribe may request the department to provide facilitation services to resolve issues of concern with a proposed comprehensive plan and its development regulations, or any amendment to the comprehensive plan and its development regulations.
- (b) Upon receipt of a request from a tribe, the department shall notify the city or county of the request and offer to assist in providing facilitation services to encourage resolution before adoption of the proposed comprehensive plan. Upon receipt of the notice from the department, the city or county must delay any final action to adopt any comprehensive plan or any amendment or its development regulations for at least 60 days. The tribe and the city or county may jointly agree to extend this period by notifying the department. A county or city must not be penalized for noncompliance under this chapter due to any delays associated with this process.
- (c) Upon receipt of a request, the department shall provide comments to the county or city including a summary and supporting materials regarding the tribe's concerns. The county or city may either agree to amend the comprehensive plan as requested consistent with the comments from the department, or enter into a facilitated process with the tribe, which must be arranged by the department using a suitable expert to be paid by the department. This facilitated process may also extend the 60-day delay of adoption, upon agreement of the tribe and the city or county.

(d) At the end of the 60-day period, unless by agreement there is an extension of the 60-day period, the city or county may proceed with adoption of the proposed comprehensive plan and development regulations. The facilitator shall write a report of findings describing the basis for agreements or disagreements that occurred during the process that are allowed to be disclosed by the parties and the resulting agreed-upon elements of the plan to be amended.

- (7) The department shall provide planning grants to enhance citizen participation under RCW 36.70A.140.
- (8) The department shall develop, in collaboration with the department of ecology, the department of fish and wildlife, the department of natural resources, the department of health, the emergency management division of the military department, as well as any federally recognized tribe who chooses to voluntarily participate, and adopt by rule guidance that creates a model climate change and resiliency element that may be used by counties, cities, and multiple-county planning regions for developing and implementing climate change and resiliency plans and policies required by RCW 36.70A.070(9), subject to the following provisions:
- (a) The model element must establish minimum requirements, and may include model options or voluntary cross-jurisdictional strategies, or both, for fulfilling the requirements of RCW 36.70A.070(9);
- (b) The model element should provide guidance on identifying, designing, and investing in infrastructure that supports community resilience to climate impacts, including the protection, restoration, and enhancement of natural infrastructure as well as traditional infrastructure and protecting and enhancing natural areas to foster resiliency to climate impacts, as well as areas of vital habitat for safe passage and species migration;
- (c) The model element should provide guidance on identifying and addressing natural hazards created or aggravated by climate change, including sea level rise, landslides, flooding, drought, heat, smoke, wildfires, and other effects of reasonably anticipated changes to temperature and precipitation patterns; and
- 36 (d) The rule must recognize and promote as many cobenefits of climate resilience as possible such as climate change mitigation, salmon recovery, forest health, ecosystem services, and socioeconomic health and resilience.

- NEW SECTION. Sec. 10. A new section is added to chapter 47.80 RCW to read as follows:
- The department shall compile, maintain, and publish a summary of the per capita vehicle miles traveled annually in each city in the
- 5 state, and in the unincorporated portions of each county in the
- 6 state.

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- NEW SECTION. Sec. 11. A new section is added to chapter 90.58 RCW to read as follows:
- 9 The department shall update its shoreline master program
- 10 guidelines to require shoreline master programs to address the impact
- 11 of sea level rise and increased storm severity on people, property,
- 12 and shoreline natural resources and the environment.
- 13 **Sec. 12.** RCW 86.12.200 and 1991 c 322 s 3 are each amended to 14 read as follows:
- The county legislative authority of any county may adopt a comprehensive flood control management plan for any drainage basin that is located wholly or partially within the county.
- 18 A comprehensive flood control management plan shall include the 19 following elements:
 - (1) Designation of areas that are susceptible to periodic flooding, from inundation by bodies of water or surface water runoff, or both, including the river's meander belt or floodway;
 - (2) Establishment of a comprehensive scheme of flood control protection and improvements for the areas that are subject to such periodic flooding, that includes: (a) Determining the need for, and desirable location of, flood control improvements to protect or preclude flood damage to structures, works, and improvements, based upon a cost/benefit ratio between the expense of providing and maintaining these improvements and the benefits arising from these improvements; (b) establishing the level of flood protection that each portion of the system of flood control improvements will be permitted; (c) identifying alternatives to in-stream flood control work; (d) identifying areas where flood waters could be directed during a flood to avoid damage to buildings and other structures; and (e) identifying sources of revenue that will be sufficient to finance the comprehensive scheme of flood control protection and improvements;

(3) Establishing land use regulations that preclude the location of structures, works, or improvements in critical portions of such areas subject to periodic flooding, including a river's meander belt or floodway, and permitting only flood-compatible land uses in such areas;

- (4) Establishing restrictions on construction activities in areas subject to periodic floods that require the flood proofing of those structures that are permitted to be constructed or remodeled; ((and))
- (5) Establishing restrictions on land clearing activities and development practices that exacerbate flood problems by increasing the flow or accumulation of flood waters, or the intensity of drainage, on low-lying areas. Land clearing activities do not include forest practices as defined in chapter 76.09 RCW; and
- 14 (6) Consideration of climate change impacts, including the impact
 15 of sea level rise and increased storm severity on people, property,
 16 natural resources, and the environment.

A comprehensive flood control management plan shall be subject to the minimum requirements for participation in the national flood insurance program, requirements exceeding the minimum national flood insurance program that have been adopted by the department of ecology for a specific floodplain pursuant to RCW 86.16.031, and rules adopted by the department of ecology pursuant to RCW 86.26.050 relating to floodplain management activities. When a county plans under chapter 36.70A RCW, it may incorporate the portion of its comprehensive flood control management plan relating to land use restrictions in its comprehensive plan and development regulations adopted pursuant to chapter 36.70A RCW.

NEW SECTION. Sec. 13. A new section is added to chapter 43.21C RCW to read as follows:

The adoption of ordinances, amendments to comprehensive plans, amendments to development regulations, and other nonproject actions taken by a county or city pursuant to RCW 36.70A.070(9) (d) or (e) in order to implement measures specified by the department of commerce pursuant to section 5 of this act are not subject to administrative or judicial appeals under this chapter.

Sec. 14. RCW 36.70A.030 and 2021 c 254 s 6 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.
- (2) "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed thirty percent of the monthly income of a household whose income is:
- (a) For rental housing, ((sixty)) 60 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or
- (b) For owner-occupied housing, ((eighty)) <u>80</u> percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
- (3) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.
 - (4) "City" means any city or town, including a code city.
- (5) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.
- (6) "Critical areas" include the following areas and ecosystems:

 (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.
 - (7) "Department" means the department of commerce.

(8) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

- (9) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.
- (10) "Emergency shelter" means a facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.
- (11) "Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below thirty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
- (12) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability

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to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

- (13) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.
- (14) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.
- (15) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.
- (16) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
- 29 (17) "Minerals" include gravel, sand, and valuable metallic 30 substances.
 - (18) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
 - (19) "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than

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- 1 would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal 2 behaviors. Permanent supportive housing is paired with on-site or 3 off-site voluntary services designed to support a person living with 4 a complex and disabling behavioral health or physical health 5 6 condition who was experiencing homelessness or was at imminent risk 7 of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the 8 resident's health status, and connect the resident of the housing 9 with community-based health care, treatment, or employment services. 10 Permanent supportive housing is subject to all of the rights and 11 12 responsibilities defined in chapter 59.18 RCW.
 - (20) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

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- (21) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.
- (22) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.
- (23) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:
- 29 (a) In which open space, the natural landscape, and vegetation 30 predominate over the built environment;
 - (b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;
- 33 (c) That provide visual landscapes that are traditionally found 34 in rural areas and communities;
- 35 (d) That are compatible with the use of the land by wildlife and 36 for fish and wildlife habitat;
- 37 (e) That reduce the inappropriate conversion of undeveloped land 38 into sprawling, low-density development;
- 39 (f) That generally do not require the extension of urban 40 governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

- (24) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.
- (25) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).
- (26) "Short line railroad" means those railroad lines designated class II or class III by the United States surface transportation board.
 - (27) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.
- (28) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship

1 to an area with urban growth on it as to be appropriate for urban 2 growth.

- (29) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.
 - (30) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below fifty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.
 - (31) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.
 - (32) "Per capita vehicle miles traveled" means the number of miles traveled using cars and light trucks in a calendar year divided by the number of residents in Washington. The calculation of this value excludes vehicle miles driven conveying freight.
 - including walking or running, the use of a mobility assistive device such as a wheelchair, bicycling and cycling irrespective of the number of wheels, and the use of small personal devices such as foot scooters or skateboards. Active transportation includes both traditional and electric assist bicycles and other devices. Planning for active transportation must consider and address accommodation pursuant to the Americans with disabilities act and the distinct needs of each form of active transportation.
- (34) "Transportation system" means all infrastructure and services for all forms of transportation within a geographical area,

- 1 <u>irrespective of the responsible jurisdiction or transportation</u> 2 provider.
- 3 (35) "Environmental justice" means the fair treatment and 4 meaningful involvement of all people regardless of race, color,
- 5 national origin, or income with respect to development,
- 6 implementation, and enforcement of environmental laws, regulations,
- 7 and policies. Environmental justice includes addressing
- 8 <u>disproportionate environmental and health impacts in all laws, rules,</u>
- 9 and policies with environmental impacts by prioritizing vulnerable
- 10 populations and overburdened communities and the equitable
- 11 <u>distribution of resources and benefits.</u>
- 12 (36) "Active transportation facilities" means facilities provided
- for the safety and mobility of active transportation users including,
- 14 but not limited to, trails, as defined in RCW 47.30.005, sidewalks,
- 15 <u>bike lanes, shared-use paths, and other facilities in the public</u>
- 16 <u>right-of-way.</u>
- 17 <u>(37) "Green space" means an area of land, vegetated by natural</u>
- 18 features such as grass, trees, or shrubs, within an urban context and
- 19 less than one acre in size that creates public value through one or
- 20 more of the following attributes:
- 21 <u>(a) Is accessible to the public;</u>
- 22 (b) Promotes physical and mental health of residents;
- 23 (c) Provides relief from the urban heat island effects;
- 24 (d) Promotes recreational and aesthetic values;
- 25 <u>(e) Protects streams or water supply; or</u>
- 26 <u>(f) Preserves visual quality along highway, road, or street</u>
- 27 <u>corridors</u>.
- 28 <u>(38) "Green infrastructure" means a wide array of natural assets</u>
- 29 and built structures within an urban growth area boundary, including
- 30 parks and other areas with protected tree canopy, and management
- 31 practices at multiple scales that manage wet weather and that
- 32 maintain and restore natural hydrology by storing, infiltrating,
- 33 <u>evapotranspiring</u>, and harvesting and using stormwater.
- 34 (39) "Wildland urban interface" means the geographical area where
- 35 <u>structures and other human development meets or intermingles with</u>
- 36 <u>wildland vegetative</u> fuels.
- 37 (40) "Overburdened community" means a geographic area where
- 38 <u>vulnerable populations face combined, multiple environmental harms</u>
- 39 and health impacts, and includes, but is not limited to, highly
- impacted communities as defined in RCW 19.405.020.

- (41) (a) "Vulnerable populations" means population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms, due to: (i) Adverse socioeconomic factors, such as unemployment, high housing and transportation costs relative to income, limited access to nutritious food and adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms; and (ii) sensitivity factors, such as low birth weight and higher rates of hospitalization.
 - (b) "Vulnerable populations" includes, but is not limited to:
- 11 (i) Racial or ethnic minorities;
- 12 <u>(ii) Low-income populations</u>; and

- 13 <u>(iii) Populations disproportionately impacted by environmental</u> 14 harms.
- **Sec. 15.** RCW 36.70A.130 and 2022 c 287 s 1 and 2022 c 192 s 1 16 are each reenacted and amended to read as follows:
 - (1) (a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section.
 - (b) Except as otherwise provided, a county or city not planning under RCW 36.70A.040 shall take action to review and, if needed, revise its policies and development regulations regarding critical areas and natural resource lands adopted according to this chapter to ensure these policies and regulations comply with the requirements of this chapter according to the deadlines in subsections (4) and (5) of this section. Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.
 - (c) The review and evaluation required by this subsection shall include, but is not limited to, consideration of critical area ordinances and, if planning under RCW 36.70A.040, an analysis of the

population allocated to a city or county from the most recent ((ten))2 <u>10</u>-year population forecast by the office of financial management.

- (d) Any amendment of or revision to a comprehensive land use plan shall conform to this chapter. Any amendment of or revision to development regulations shall be consistent with and implement the comprehensive plan.
- (2) (a) Each county and city shall establish and broadly disseminate to the public a public participation program consistent with RCW 36.70A.035 and 36.70A.140 that identifies procedures and schedules whereby updates, proposed amendments, or revisions of the comprehensive plan are considered by the governing body of the county or city no more frequently than once every year. "Updates" means to review and revise, if needed, according to subsection (1) of this section, and the deadlines in subsections (4) and (5) of this section or in accordance with the provisions of subsection (6) of this section. Amendments may be considered more frequently than once per year under the following circumstances:
- (i) The initial adoption of a subarea plan. Subarea plans adopted under this subsection (2)(a)(i) must clarify, supplement, or implement jurisdiction-wide comprehensive plan policies, and may only be adopted if the cumulative impacts of the proposed plan are addressed by appropriate environmental review under chapter 43.21C RCW;
- (ii) The development of an initial subarea plan for economic development located outside of the one hundred year floodplain in a county that has completed a state-funded pilot project that is based on watershed characterization and local habitat assessment;
- (iii) The adoption or amendment of a shoreline master program under the procedures set forth in chapter 90.58 RCW;
- (iv) The amendment of the capital facilities element of a comprehensive plan that occurs concurrently with the adoption or amendment of a county or city budget; or
- (v) The adoption of comprehensive plan amendments necessary to enact a planned action under RCW 43.21C.440, provided that amendments are considered in accordance with the public participation program established by the county or city under this subsection (2)(a) and all persons who have requested notice of a comprehensive plan update are given notice of the amendments and an opportunity to comment.
- (b) Except as otherwise provided in (a) of this subsection, all proposals shall be considered by the governing body concurrently so

the cumulative effect of the various proposals can be ascertained. However, after appropriate public participation a county or city may adopt amendments or revisions to its comprehensive plan that conform with this chapter whenever an emergency exists or to resolve an appeal of a comprehensive plan filed with the growth management hearings board or with the court.

- (3) (a) Each county that designates urban growth areas under RCW 36.70A.110 shall review, according to the schedules established in subsections (4) and (5) of this section, its designated urban growth area or areas, patterns of development occurring within the urban growth area or areas, and the densities permitted within both the incorporated and unincorporated portions of each urban growth area. In conjunction with this review by the county, each city located within an urban growth area shall review the densities permitted within its boundaries, and the extent to which the urban growth occurring within the county has located within each city and the unincorporated portions of the urban growth areas.
- (b) The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the comprehensive plans of the county and each city located within the urban growth areas, shall be revised to accommodate the urban growth projected to occur in the county for the succeeding ((twenty)) 20-year period. The review required by this subsection may be combined with the review and evaluation required by RCW 36.70A.215.
- (c) If, during the county's review under (a) of this subsection, the county determines revision of the urban growth area is not required to accommodate the urban growth projected to occur in the county for the succeeding 20-year period, but does determine that patterns of development have created pressure in areas that exceed available, developable lands within the urban growth area, the urban growth area or areas may be revised to accommodate identified patterns of development and likely future development pressure for the succeeding 20-year period if the following requirements are met:
- (i) The revised urban growth area may not result in an increase in the total surface areas of the urban growth area or areas;
- (ii) The areas added to the urban growth area are not or have not been designated as agricultural, forest, or mineral resource lands of long-term commercial significance;
- 39 (iii) Less than 15 percent of the areas added to the urban growth 40 area are critical areas;

1 (iv) The areas added to the urban growth areas are suitable for 2 urban growth;

- (v) The transportation element and capital facility plan element have identified the transportation facilities, and public facilities and services needed to serve the urban growth area and the funding to provide the transportation facilities and public facilities and services;
- (vi) The urban growth area is not larger than needed to accommodate the growth planned for the succeeding 20-year planning period and a reasonable land market supply factor;
- (vii) The areas removed from the urban growth area do not include urban growth or urban densities; and
- (viii) The revised urban growth area is contiguous, does not include holes or gaps, and will not increase pressures to urbanize rural or natural resource lands.
 - (4) Except as otherwise provided in subsections (6) and (8) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:
- 21 (a) On or before June 30, 2015, for King, Pierce, and Snohomish 22 counties and the cities within those counties;
 - (b) On or before June 30, 2016, for Clallam, Clark, Island, Jefferson, Kitsap, Mason, San Juan, Skagit, Thurston, and Whatcom counties and the cities within those counties;
 - (c) On or before June 30, 2017, for Benton, Chelan, Cowlitz, Douglas, Kittitas, Lewis, Skamania, Spokane, and Yakima counties and the cities within those counties; and
 - (d) On or before June 30, 2018, for Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman counties and the cities within those counties.
 - (5) Except as otherwise provided in subsections (6) and (8) of this section, following the review of comprehensive plans and development regulations required by subsection (4) of this section, counties and cities shall take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and regulations comply with the requirements of this chapter as follows:

(a) ((On)) Except as provided in subsection (10) of this section, on or before December 31, 2024, with the following review and, if needed, revision on or before June 30, 2034, and then every ((ten)) 10 years thereafter, for King, Kitsap, Pierce, and Snohomish counties and the cities within those counties;

- (b) On or before June 30, 2025, and every ((ten)) 10 years thereafter, for Clallam, Clark, Island, Jefferson, Lewis, Mason, San Juan, Skagit, Thurston, and Whatcom counties and the cities within those counties;
- (c) On or before June 30, 2026, and every ((ten)) 10 years thereafter, for Benton, Chelan, Cowlitz, Douglas, Franklin, Kittitas, Skamania, Spokane, Walla Walla, and Yakima counties and the cities within those counties; and
 - (d) On or before June 30, 2027, and every ((ten)) 10 years thereafter, for Adams, Asotin, Columbia, Ferry, Garfield, Grant, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, and Whitman counties and the cities within those counties.
 - (6) (a) Nothing in this section precludes a county or city from conducting the review and evaluation required by this section before the deadlines established in subsections (4) and (5) of this section. Counties and cities may begin this process early and may be eligible for grants from the department, subject to available funding, if they elect to do so.
 - (b) A county that is subject to a deadline established in subsection (5)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the twenty-four months following the deadline established in subsection (5) of this section: The county has a population of less than fifty thousand and has had its population increase by no more than seventeen percent in the ten years preceding the deadline established in subsection (5) of this section as of that date.
 - (c) A city that is subject to a deadline established in subsection (5)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the twenty-four months following the deadline established in subsection (5) of this section: The city has a population of no more than five thousand and has had its population increase by the greater of either no more than one hundred persons or no more than seventeen

percent in the ten years preceding the deadline established in subsection (5) of this section as of that date.

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- (d) State agencies are encouraged to provide technical assistance to the counties and cities in the review of critical area ordinances, comprehensive plans, and development regulations.
- (7) (a) The requirements imposed on counties and cities under this section shall be considered "requirements of this chapter" under the terms of RCW 36.70A.040(1). Only those counties and cities that meet the following criteria may receive grants, loans, pledges, or financial guarantees under chapter 43.155 or 70A.135 RCW:
 - (i) Complying with the deadlines in this section; or
- (ii) Demonstrating substantial progress towards compliance with the schedules in this section for development regulations that protect critical areas.
- (b) A county or city that is fewer than ((twelve)) 12 months out of compliance with the schedules in this section for development regulations that protect critical areas is making substantial progress towards compliance. Only those counties and cities in compliance with the schedules in this section may receive preference for grants or loans subject to the provisions of RCW 43.17.250.
- (8) (a) Except as otherwise provided in (c) of this subsection, if a participating watershed is achieving benchmarks and goals for the protection of critical areas functions and values, the county is not required to update development regulations to protect critical areas as they specifically apply to agricultural activities in that watershed.
- (b) A county that has made the election under RCW 36.70A.710(1) may only adopt or amend development regulations to protect critical areas as they specifically apply to agricultural activities in a participating watershed if:
- 31 (i) A work plan has been approved for that watershed in accordance with RCW 36.70A.725;
 - (ii) The local watershed group for that watershed has requested the county to adopt or amend development regulations as part of a work plan developed under RCW 36.70A.720;
- 36 (iii) The adoption or amendment of the development regulations is 37 necessary to enable the county to respond to an order of the growth 38 management hearings board or court;
- 39 (iv) The adoption or amendment of development regulations is 40 necessary to address a threat to human health or safety; or

1 (v) Three or more years have elapsed since the receipt of 2 funding.

- (c) Beginning ((ten)) 10 years from the date of receipt of funding, a county that has made the election under RCW 36.70A.710(1) must review and, if necessary, revise development regulations to protect critical areas as they specifically apply to agricultural activities in a participating watershed in accordance with the review and revision requirements and timeline in subsection (5) of this section. This subsection (8)(c) does not apply to a participating watershed that has determined under RCW 36.70A.720(2)(c)(ii) that the watershed's goals and benchmarks for protection have been met.
- (9) (a) Counties subject to planning deadlines established in subsection (5) of this section that are required or that choose to plan under RCW 36.70A.040 and that meet either criteria of (a)(i) or (ii) of this subsection, and cities with a population of more than 6,000 as of April 1, 2021, within those counties, must provide to the department an implementation progress report detailing the progress they have achieved in implementing their comprehensive plan five years after the review and revision of their comprehensive plan. Once a county meets the criteria in (a)(i) or (ii) of this subsection, the implementation progress report requirements remain in effect thereafter for that county and the cities therein with populations greater than 6,000 as of April 1, 2021, even if the county later no longer meets either or both criteria. A county is subject to the implementation progress report requirement if it meets either of the following criteria on or after April 1, 2021:
- (i) The county has a population density of at least 100 people per square mile and a population of at least 200,000; or
- (ii) The county has a population density of at least 75 people per square mile and an annual growth rate of at least 1.75 percent as determined by the office of financial management.
- (b) The department shall adopt guidelines for indicators, measures, milestones, and criteria for use by counties and cities in the implementation progress report that must cover:
- (i) The implementation of previously adopted changes to the housing element and any effect those changes have had on housing affordability and availability within the jurisdiction;
 - (ii) Permit processing timelines; and
- 39 (iii) Progress toward implementing any actions required to 40 achieve reductions to meet greenhouse gas and vehicle miles traveled

requirements as provided for in any element of the comprehensive plan under RCW 36.70A.070.

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- (c) If a city or county required to provide an implementation 3 progress report under this subsection (9) has not implemented any 4 specifically identified regulations, zoning and land use changes, or 5 6 taken other legislative or administrative action necessary to implement any changes in the most recent periodic update in their 7 comprehensive plan by the due date for the implementation progress 8 report, the city or county must identify the need for such action in 9 the implementation progress report. Cities and counties must adopt a 10 work plan to implement any necessary regulations, zoning and land use 11 12 changes, or take other legislative or administrative action identified in the implementation progress report and complete all 13 work necessary for implementation within two years of submission of 14 the implementation progress report. 15
- 16 (10) Any county or city that is required by section 4 of this act 17 to include in its comprehensive plan a climate change and resiliency element and that is also required by subsection (5)(a) of this 18 section to review and, if necessary, revise its comprehensive plan on 19 or before December 31, 2024, must update its transportation element 20 and incorporate a climate change and resiliency element into its 21 comprehensive plan as part of the first implementation progress 22 23 report required by subsection (9) of this section if funds are appropriated and distributed by December 31, 2027, as required under 24 25 RCW 36.70A.070(10).
- NEW SECTION. Sec. 16. A new section is added to chapter 36.70A RCW to read as follows:
- (1) Notwithstanding the requirements of RCW 36.70A.070(10), it is the intent that jurisdictions subject to RCW 36.70A.130(5)(b) implement the requirements of this act on or before June 30, 2025. Any funding provided to cover applicable local government costs related to implementation of this act shall be considered timely.
- 33 (2) This section expires July 31, 2025.
- NEW SECTION. Sec. 17. A new section is added to chapter 43.20 RCW to read as follows:
- 36 (1)(a) Beginning with water system plans initiated after June 30, 37 2025, the department shall ensure water system plans for group A

1 community public water systems serving 1,000 or more connections 2 include a climate resilience element at the time of approval.

- (b) The department must update its water system planning guidebook to assist water systems in implementing the climate resilience element, including guidance on any available technical and financial resources.
- (c) The department shall provide technical assistance to public water systems based on their system size, location, and water source, by providing references to existing state or federal risk management, climate resiliency, or emergency management and response tools that may be used to satisfy the climate resilience element.
- (d) Subject to the availability of amounts appropriated for this specific purpose, the University of Washington climate impacts group shall assist the department in the development of tools for the technical assistance to be provided in (c) of this subsection.
- 16 (2) To fulfill the requirements of the climate resilience 17 element, water systems must:
 - (a) Determine which extreme weather events pose significant challenges to their system and build scenarios to identify potential impacts;
 - (b) Assess critical assets and the actions necessary to protect the system from the consequences of extreme weather events on system operations; and
 - (c) Generate reports describing the costs and benefits of the system's risk reduction strategies and capital project needs.
 - (3) Climate readiness projects, including planning to meet the requirements of this section and actions to protect a water system from extreme weather events, including infrastructure and design projects, are eligible for financial assistance under RCW 70A.125.180. The department must develop grant and loan eligibility criteria and consider applications from water systems that identify climate readiness projects.
- **Sec. 18.** RCW 70A.125.180 and 2020 c 20 s 1359 are each amended to read as follows:
 - Subject to the availability of amounts appropriated for this specific purpose, the department shall provide financial assistance through a water system acquisition and rehabilitation program, hereby created. ((The program shall be jointly administered with the public works board and the department of commerce.)) The ((agencies))

- 1 <u>department</u> shall adopt guidelines for the program using as a model
- 2 the procedures and criteria of the drinking water revolving loan
- 3 program authorized under RCW 70A.125.160. All financing provided
- 4 through the program must be in the form of grants or loans that
- 5 partially cover project costs, including projects and planning
- 6 <u>required under section 17 of this act</u>. The maximum grant <u>or loan</u> to
- 7 any eligible entity may not exceed ((twenty-five)) 25 percent of the
- 8 funds allocated to the appropriation in any fiscal year.
- 9 <u>NEW SECTION.</u> **Sec. 19.** If specific funding for the purposes of
- 10 this act, referencing this act by bill or chapter number, is not
- 11 provided by June 30, 2023, in the omnibus appropriations act, this
- 12 act is null and void.

Passed by the House April 13, 2023. Passed by the Senate April 7, 2023. Approved by the Governor May 3, 2023. Filed in Office of Secretary of State May 4, 2023.

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