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5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** In enacting the section 4(5), chapter
8 . . ., Laws of 1997 (section 4(5) of this act) amendments to RCW
9 36.70A.070(5), the legislature finds that chapter 36.70A RCW is
10 intended to recognize the importance of rural lands and rural character
11 to Washington's economy, its people, and its environment, while
12 respecting regional differences. Rural lands and rural-based economies
13 enhance the economic desirability of the state, help to preserve
14 traditional economic activities, and contribute to the state's overall
15 quality of life. The legislature also finds that in developing its
16 rural element under RCW 36.70A.070(5), a county should foster land use
17 patterns and develop a local vision of rural character that: Will help
18 preserve rural-based economies and traditional rural lifestyles; will
19 foster opportunities for small-scale, rural-based employment and
20 self-employment; will permit the operation of rural-based commercial,
21 recreational, and tourist businesses that are consistent with existing
22 and planned land use patterns; be compatible with the use of the land
23 by wildlife and for fish and wildlife habitat; will foster the private
24 stewardship of the land and preservation of open space; and will
25 enhance the rural sense of community and quality of life.

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

28 In amending RCW 36.70A.320(3) by section 16(3), chapter . . ., Laws
29 of 1997 (section 16(3) of this act), the legislature intends that the
30 boards apply a more deferential standard of review to actions of
31 counties and cities than the preponderance of the evidence standard
32 provided for under existing law. In recognition of the broad range of
33 discretion that may be exercised by counties and cities consistent with
34 the requirements of this chapter, the legislature intends for the
35 boards to grant deference to counties and cities in how they plan for

1 growth, consistent with the requirements and goals of this chapter.
2 Local comprehensive plans and development regulations require counties
3 and cities to balance priorities and options for action in full
4 consideration of local circumstances. The legislature finds that while
5 this chapter requires local planning to take place within a framework
6 of state goals and requirements, the ultimate burden and responsibility
7 for planning and implementing a county's or city's future rests with
8 that community.

9 **Sec. 3.** RCW 36.70A.030 and 1995 c 382 s 9 are each amended to read
10 as follows:

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

13 (1) "Adopt a comprehensive land use plan" means to enact a new
14 comprehensive land use plan or to update an existing comprehensive land
15 use plan.

16 (2) "Agricultural land" means land primarily devoted to the
17 commercial production of horticultural, viticultural, floricultural,
18 dairy, apiary, vegetable, or animal products or of berries, grain, hay,
19 straw, turf, seed, Christmas trees not subject to the excise tax
20 imposed by RCW 84.33.100 through 84.33.140, finfish in upland
21 hatcheries, or livestock, and that has long-term commercial
22 significance for agricultural production.

23 (3) "City" means any city or town, including a code city.

24 (4) "Comprehensive land use plan," "comprehensive plan," or "plan"
25 means a generalized coordinated land use policy statement of the
26 governing body of a county or city that is adopted pursuant to this
27 chapter.

28 (5) "Critical areas" include the following areas and ecosystems:
29 (a) Wetlands; (b) areas with a critical recharging effect on aquifers
30 used for potable water; (c) fish and wildlife habitat conservation
31 areas; (d) frequently flooded areas; and (e) geologically hazardous
32 areas.

33 (6) "Department" means the department of community, trade, and
34 economic development.

35 (7) "Development regulations" or "regulation" means the controls
36 placed on development or land use activities by a county or city,
37 including, but not limited to, zoning ordinances, critical areas
38 ordinances, shoreline master programs, official controls, planned unit

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

7 (8) "Forest land" means land primarily devoted to growing trees for
8 long-term commercial timber production on land that can be economically
9 and practically managed for such production, including Christmas trees
10 subject to the excise tax imposed under RCW 84.33.100 through
11 84.33.140, and that has long-term commercial significance. In
12 determining whether forest land is primarily devoted to growing trees
13 for long-term commercial timber production on land that can be
14 economically and practically managed for such production, the following
15 factors shall be considered: (a) The proximity of the land to urban,
16 suburban, and rural settlements; (b) surrounding parcel size and the
17 compatibility and intensity of adjacent and nearby land uses; (c) long-
18 term local economic conditions that affect the ability to manage for
19 timber production; and (d) the availability of public facilities and
20 services conducive to conversion of forest land to other uses.

21 (9) "Geologically hazardous areas" means areas that because of
22 their susceptibility to erosion, sliding, earthquake, or other
23 geological events, are not suited to the siting of commercial,
24 residential, or industrial development consistent with public health or
25 safety concerns.

26 (10) "Long-term commercial significance" includes the growing
27 capacity, productivity, and soil composition of the land for long-term
28 commercial production, in consideration with the land's proximity to
29 population areas, and the possibility of more intense uses of the land.

30 (11) "Minerals" include gravel, sand, and valuable metallic
31 substances.

32 (12) "Public facilities" include streets, roads, highways,
33 sidewalks, street and road lighting systems, traffic signals, domestic
34 water systems, storm and sanitary sewer systems, parks and recreational
35 facilities, and schools.

36 (13) "Public services" include fire protection and suppression, law
37 enforcement, public health, education, recreation, environmental
38 protection, and other governmental services.

1 (14) "Rural character" refers to the patterns of land use and
2 development established by a county:

3 (a) In which open space, the natural landscape, and vegetation
4 predominate over the built environment;

5 (b) That foster traditional rural lifestyles and rural-based
6 economies, including small-scale raising of livestock, production of
7 food for local consumption, cottage industries, and handcrafts;

8 (c) That provide visual landscapes that are traditionally found in
9 rural areas and communities;

10 (d) That are compatible with the use of the land by wildlife and
11 for fish and wildlife habitat;

12 (e) That reduce the inappropriate conversion of undeveloped land
13 into sprawling, low-density development;

14 (f) That generally do not require the extension of urban
15 governmental services; and

16 (g) That are consistent with the protection of natural surface
17 water flows and ground water and surface water recharge and discharge
18 areas.

19 (15) "Rural development" refers to development outside the urban
20 growth area and outside agricultural, forest, and mineral resource
21 lands designated pursuant to RCW 36.70A.170. Rural development can
22 consist of a variety of uses and residential densities, including
23 clustered residential development, at levels that are consistent with
24 the preservation of rural character and the requirements of the rural
25 element.

26 (16) "Rural governmental services" or "rural services" include
27 those public services and public facilities historically and typically
28 delivered at an intensity usually found in rural areas, and may include
29 domestic water systems, fire and police protection services,
30 transportation and public transit services, and other public utilities
31 associated with rural development and normally not associated with
32 urban areas. Rural services do not include storm or sanitary sewers,
33 except as otherwise authorized by RCW 36.70A.110(4).

34 (17) "Urban growth" refers to growth that makes intensive use of
35 land for the location of buildings, structures, and impermeable
36 surfaces to such a degree as to be incompatible with the primary use of
37 ((such)) land for the production of food, other agricultural products,
38 or fiber, or the extraction of mineral resources, rural uses, rural
39 development, and natural resource lands designated pursuant to RCW

1 36.70A.170. A pattern of more intensive rural development, as provided
2 in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread
3 over wide areas, urban growth typically requires urban governmental
4 services. "Characterized by urban growth" refers to land having urban
5 growth located on it, or to land located in relationship to an area
6 with urban growth on it as to be appropriate for urban growth.

7 ~~((15))~~ (18) "Urban growth areas" means those areas designated by
8 a county pursuant to RCW 36.70A.110.

9 ~~((16))~~ (19) "Urban governmental services" or "urban services"
10 include those ~~((governmental))~~ public services and public facilities at
11 an intensity historically and typically ~~((delivered by))~~ provided in
12 cities, ((and include)) specifically including storm and sanitary sewer
13 systems, domestic water systems, street cleaning services, fire and
14 police protection services, public transit services, and other public
15 utilities associated with urban areas and normally not associated with
16 ~~((nonurban))~~ rural areas.

17 ~~((17))~~ (20) "Wetland" or "wetlands" means areas that are
18 inundated or saturated by surface water or ground water at a frequency
19 and duration sufficient to support, and that under normal circumstances
20 do support, a prevalence of vegetation typically adapted for life in
21 saturated soil conditions. Wetlands generally include swamps, marshes,
22 bogs, and similar areas. Wetlands do not include those artificial
23 wetlands intentionally created from nonwetland sites, including, but
24 not limited to, irrigation and drainage ditches, grass-lined swales,
25 canals, detention facilities, wastewater treatment facilities, farm
26 ponds, and landscape amenities, or those wetlands created after July 1,
27 1990, that were unintentionally created as a result of the construction
28 of a road, street, or highway. Wetlands may include those artificial
29 wetlands intentionally created from nonwetland areas created to
30 mitigate conversion of wetlands.

31 **Sec. 4.** RCW 36.70A.070 and 1996 c 239 s 1 are each amended to read
32 as follows:

33 The comprehensive plan of a county or city that is required or
34 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,
35 and descriptive text covering objectives, principles, and standards
36 used to develop the comprehensive plan. The plan shall be an
37 internally consistent document and all elements shall be consistent

1 with the future land use map. A comprehensive plan shall be adopted
2 and amended with public participation as provided in RCW 36.70A.140.

3 Each comprehensive plan shall include a plan, scheme, or design for
4 each of the following:

5 (1) A land use element designating the proposed general
6 distribution and general location and extent of the uses of land, where
7 appropriate, for agriculture, timber production, housing, commerce,
8 industry, recreation, open spaces, general aviation airports, public
9 utilities, public facilities, and other land uses. The land use
10 element shall include population densities, building intensities, and
11 estimates of future population growth. The land use element shall
12 provide for protection of the quality and quantity of ground water used
13 for public water supplies. Where applicable, the land use element
14 shall review drainage, flooding, and storm water run-off in the area
15 and nearby jurisdictions and provide guidance for corrective actions to
16 mitigate or cleanse those discharges that pollute waters of the state,
17 including Puget Sound or waters entering Puget Sound.

18 (2) A housing element ensuring the vitality and character of
19 established residential neighborhoods that: (a) Includes an inventory
20 and analysis of existing and projected housing needs; (b) includes a
21 statement of goals, policies, objectives, and mandatory provisions for
22 the preservation, improvement, and development of housing, including
23 single-family residences; (c) identifies sufficient land for housing,
24 including, but not limited to, government-assisted housing, housing for
25 low-income families, manufactured housing, multifamily housing, and
26 group homes and foster care facilities; and (d) makes adequate
27 provisions for existing and projected needs of all economic segments of
28 the community.

29 (3) A capital facilities plan element consisting of: (a) An
30 inventory of existing capital facilities owned by public entities,
31 showing the locations and capacities of the capital facilities; (b) a
32 forecast of the future needs for such capital facilities; (c) the
33 proposed locations and capacities of expanded or new capital
34 facilities; (d) at least a six-year plan that will finance such capital
35 facilities within projected funding capacities and clearly identifies
36 sources of public money for such purposes; and (e) a requirement to
37 reassess the land use element if probable funding falls short of
38 meeting existing needs and to ensure that the land use element, capital

1 facilities plan element, and financing plan within the capital
2 facilities plan element are coordinated and consistent.

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

7 (5) Rural development. Counties shall include a rural element
8 including lands that are not designated for urban growth, agriculture,
9 forest, or mineral resources. The following provisions shall apply to
10 the rural element:

11 (a) Growth management act goals and local circumstances. Because
12 circumstances vary from county to county, in establishing patterns of
13 rural densities and uses, a county may consider local circumstances,
14 but shall develop a written record explaining how the rural element
15 harmonizes the planning goals in RCW 36.70A.020 and meets the
16 requirements of this chapter.

17 (b) Rural development. The rural element shall permit
18 ~~((appropriate land uses that are compatible with the rural character of~~
19 ~~such lands)) rural development and provide for a variety of rural
20 densities ~~((and)), uses ((and may also provide)),~~ essential public
21 facilities, and rural governmental services needed to serve the
22 permitted densities and uses. Except as otherwise specifically
23 provided in this chapter, residential and nonresidential uses shall not
24 require urban services and nonresidential uses shall be principally
25 designed to serve the existing and projected rural population and
26 existing nonresidential uses. In order to achieve a variety of rural
27 densities and uses, counties may provide for clustering, density
28 transfer, design guidelines, conservation easements, and other
29 innovative techniques that will accommodate appropriate rural densities
30 and uses that are not characterized by urban growth and that are
31 consistent with rural character.~~

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

35 (i) Containing or otherwise controlling rural development;

36 (ii) Assuring visual compatibility of rural development with the
37 surrounding rural area;

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

1 (iv) Protecting critical areas, as provided in RCW 36.70A.060, and
2 surface water and ground water resources; and

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

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

11 (i) Rural development consisting of the infill, development, or
12 redevelopment of existing commercial, industrial, residential, or
13 mixed-use areas, whether characterized as shoreline development,
14 villages, hamlets, rural activity centers, or crossroads developments.
15 A commercial, industrial, residential, shoreline, or mixed-use area
16 shall have been in existence before July 1, 1990, and shall be subject
17 to the requirements of (d)(iv) of this subsection, but shall not be
18 subject to the requirements of (c)(ii) and (iii) of this subsection.
19 An industrial area is not required to be principally designed to serve
20 the existing and projected rural population as required by (b) of this
21 subsection;

22 (ii) The intensification of development on lots containing, or new
23 development of, small-scale recreational or tourist uses, including
24 commercial facilities to serve those recreational or tourist uses, that
25 rely on a rural location and setting, but that do not include
26 residential development. A small-scale recreation or tourist use is
27 not required to be principally designed to serve the existing and
28 projected rural population as required by (b) of this subsection.
29 Public services and public facilities shall be limited to those
30 necessary to serve the recreation or tourist use and shall be provided
31 in a manner that does not permit low-density sprawl;

32 (iii) The intensification of development on lots containing
33 isolated nonresidential uses that are not principally designed to serve
34 the existing and projected rural population and nonresidential uses and
35 that were in existence before the date by which the county was required
36 to have adopted a comprehensive plan under RCW 36.70A.040. Public
37 services and public facilities shall be limited to those necessary to
38 serve the isolated nonresidential use and shall be provided in a manner
39 that does not permit low-density sprawl;

1 (iv) A county shall adopt measures to minimize and contain the
2 existing areas or uses of more intensive rural development, as
3 appropriate, authorized under this subsection. Lands included in such
4 existing areas or uses shall not extend beyond the logical outer
5 boundary of the existing area or use, thereby allowing a new pattern of
6 low-density sprawl. Existing areas are those that, as of July 1, 1990,
7 are clearly identifiable and contained and where there is a logical
8 boundary delineated predominately by the built environment, but that
9 may also include undeveloped lands if limited as provided in this
10 subsection. The county shall establish the logical outer boundary of
11 an area of more intensive rural development. In establishing the
12 logical outer boundary the county shall address (A) the need to
13 preserve the character of existing natural neighborhoods and
14 communities, (B) physical boundaries such as bodies of water, streets
15 and highways, and land forms and contours, (C) the prevention of
16 abnormally irregular boundaries, and (D) the ability to provide public
17 facilities and public services in a manner that does not permit low-
18 density sprawl.

19 (e) Exception. This subsection shall not be interpreted to permit
20 in the rural area a major industrial development or a master planned
21 resort unless otherwise specifically permitted under RCW 36.70A.360 and
22 36.70A.365.

23 (6) A transportation element that implements, and is consistent
24 with, the land use element. The transportation element shall include
25 the following subelements:

26 (a) Land use assumptions used in estimating travel;

27 (b) Facilities and services needs, including:

28 (i) An inventory of air, water, and ground transportation
29 facilities and services, including transit alignments and general
30 aviation airport facilities, to define existing capital facilities and
31 travel levels as a basis for future planning;

32 (ii) Level of service standards for all arterials and transit
33 routes to serve as a gauge to judge performance of the system. These
34 standards should be regionally coordinated;

35 (iii) Specific actions and requirements for bringing into
36 compliance any facilities or services that are below an established
37 level of service standard;

1 (iv) Forecasts of traffic for at least ten years based on the
2 adopted land use plan to provide information on the location, timing,
3 and capacity needs of future growth;

4 (v) Identification of system expansion needs and transportation
5 system management needs to meet current and future demands;

6 (c) Finance, including:

7 (i) An analysis of funding capability to judge needs against
8 probable funding resources;

9 (ii) A multiyear financing plan based on the needs identified in
10 the comprehensive plan, the appropriate parts of which shall serve as
11 the basis for the six-year street, road, or transit program required by
12 RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW
13 35.58.2795 for public transportation systems;

14 (iii) If probable funding falls short of meeting identified needs,
15 a discussion of how additional funding will be raised, or how land use
16 assumptions will be reassessed to ensure that level of service
17 standards will be met;

18 (d) Intergovernmental coordination efforts, including an assessment
19 of the impacts of the transportation plan and land use assumptions on
20 the transportation systems of adjacent jurisdictions;

21 (e) Demand-management strategies.

22 After adoption of the comprehensive plan by jurisdictions required
23 to plan or who choose to plan under RCW 36.70A.040, local jurisdictions
24 must adopt and enforce ordinances which prohibit development approval
25 if the development causes the level of service on a transportation
26 facility to decline below the standards adopted in the transportation
27 element of the comprehensive plan, unless transportation improvements
28 or strategies to accommodate the impacts of development are made
29 concurrent with the development. These strategies may include
30 increased public transportation service, ride sharing programs, demand
31 management, and other transportation systems management strategies.
32 For the purposes of this subsection (6) "concurrent with the
33 development" shall mean that improvements or strategies are in place at
34 the time of development, or that a financial commitment is in place to
35 complete the improvements or strategies within six years.

36 The transportation element described in this subsection, and the
37 six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for
38 counties, and RCW 35.58.2795 for public transportation systems, must be
39 consistent.

1 **Sec. 5.** RCW 36.70A.160 and 1992 c 227 s 1 are each amended to read
2 as follows:

3 (1) Each county and city that is required or chooses to prepare a
4 comprehensive land use plan under RCW 36.70A.040 shall identify open
5 space corridors within and between urban growth areas. They shall
6 include lands useful for recreation, wildlife habitat, trails, and
7 connection of critical areas as defined in RCW 36.70A.030.

8 (2) Identification of a corridor under this section by a county or
9 city shall not restrict the use or management of lands within the
10 corridor for agricultural or forest purposes. Restrictions on the use
11 or management of such lands for agricultural or forest purposes imposed
12 after identification solely to maintain or enhance the value of such
13 lands as a corridor may occur only if:

14 (a) The county or city acquires sufficient interest to prevent
15 development of the lands or to control the resource development of the
16 lands; or

17 (b) A private or public nonprofit organization acquires sufficient
18 interest to prevent development of the lands or to control the resource
19 development of the lands.

20 (3) The requirement for acquisition of sufficient interest does not
21 include those corridors regulated by the interstate commerce
22 commission, under provisions of 16 U.S.C. Sec. 1247(d), 16 U.S.C. Sec.
23 1248, or 43 U.S.C. Sec. 912. Nothing in this section shall be
24 interpreted to alter the authority of the state, or a county or city,
25 to regulate land use activities.

26 (4) The city or county may acquire by donation or purchase the fee
27 simple or lesser interests in these open space corridors using funds
28 authorized by RCW 84.34.230 or other sources.

29 **Sec. 6.** RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended to
30 read as follows:

31 (1) The department shall establish a program of technical and
32 financial assistance and incentives to counties and cities to encourage
33 and facilitate the adoption, evaluation, refinement, and implementation
34 of comprehensive plans and development regulations throughout the
35 state. The department may provide information and technical assistance
36 to the public to encourage an informed process leading to the adoption
37 and implementation of comprehensive plans and development regulations.

1 (2) The department shall develop a priority list and establish
2 funding levels for planning and technical assistance grants both for
3 counties and cities that plan under RCW 36.70A.040. Priority for
4 assistance shall be based on a county's or city's population growth
5 rates, commercial and industrial development rates, the existence and
6 quality of a comprehensive plan and development regulations, and other
7 relevant factors.

8 (3) The department shall develop and administer a grant program to
9 provide direct financial assistance to counties and cities for the
10 preparation of comprehensive plans under this chapter. The department
11 may establish provisions for county and city matching funds to conduct
12 activities under this subsection. Grants may be expended for any
13 purpose directly related to the preparation of a county or city
14 comprehensive plan as the county or city and the department may agree,
15 including, without limitation, the conducting of surveys, inventories
16 and other data gathering and management activities, the retention of
17 planning consultants, contracts with regional councils for planning and
18 related services, and other related purposes.

19 (4) The department shall establish a program of technical
20 assistance:

21 (a) Utilizing department staff, the staff of other state agencies,
22 and the technical resources of counties and cities to help in the
23 development of comprehensive plans required under this chapter. The
24 technical assistance may include, but not be limited to, model land use
25 ordinances, regional education and training programs, and information
26 for local and regional inventories; and

27 (b) Adopting by rule procedural criteria to assist counties and
28 cities in adopting comprehensive plans and development regulations that
29 meet the goals and requirements of this chapter. These criteria shall
30 reflect regional and local variations and the diversity that exists
31 among different counties and cities that plan under this chapter.

32 (5) The department shall provide mediation services to resolve
33 disputes between counties and cities regarding, among other things,
34 coordination of regional issues and designation of urban growth areas.

35 (6) The department shall provide planning grants to enhance citizen
36 participation under RCW 36.70A.140.

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

1 (1) The public participation requirements of this chapter shall
2 include notice procedures that are reasonably calculated to provide
3 notice to property owners and other affected and interested
4 individuals, tribes, government agencies, businesses, and organizations
5 of proposed amendments to comprehensive plans and development
6 regulation. Examples of reasonable notice provisions include:

7 (a) Posting the property for site-specific proposals;

8 (b) Publishing notice in a newspaper of general circulation in the
9 county, city, or general area where the proposal is located or that
10 will be affected by the proposal;

11 (c) Notifying public or private groups with known interest in a
12 certain proposal or in the type of proposal being considered;

13 (d) Placing notices in appropriate regional, neighborhood, ethnic,
14 or trade journals; and

15 (e) Publishing notice in agency newsletters or sending notice to
16 agency mailing lists, including general lists or lists for specific
17 proposals or subject areas.

18 (2)(a) Except as otherwise provided in (b) of this subsection, if
19 the legislative body for a county or city chooses to consider a change
20 to an amendment to a comprehensive plan or development regulation, and
21 the change is proposed after the opportunity for review and comment has
22 passed under the county's or city's procedures, an opportunity for
23 review and comment on the proposed change shall be provided before the
24 local legislative body votes on the proposed change.

25 (b) An additional opportunity for public review and comment is not
26 required under (a) of this subsection if:

27 (i) An environmental impact statement has been prepared under
28 chapter 43.21C RCW for the pending resolution or ordinance and the
29 proposed change is within the range of alternatives considered in the
30 environmental impact statement;

31 (ii) The proposed change is within the scope of the alternatives
32 available for public comment;

33 (iii) The proposed change only corrects typographical errors,
34 corrects cross-references, makes address or name changes, or clarifies
35 language of a proposed ordinance or resolution without changing its
36 effect;

37 (iv) The proposed change is to a resolution or ordinance making a
38 capital budget decision as provided in RCW 36.70A.120; or

1 (v) The proposed change is to a resolution or ordinance enacting a
2 moratorium or interim control adopted under RCW 36.70A.390.

3 (3) This section is prospective in effect and does not apply to a
4 comprehensive plan, development regulation, or amendment adopted before
5 the effective date of this section.

6 **Sec. 8.** RCW 36.70A.130 and 1995 c 347 s 106 are each amended to
7 read as follows:

8 (1) Each comprehensive land use plan and development regulations
9 shall be subject to continuing evaluation and review by the county or
10 city that adopted them.

11 Any amendment or revision to a comprehensive land use plan shall
12 conform to this chapter, and any change to development regulations
13 shall be consistent with and implement the comprehensive plan.

14 (2)(a) Each county and city shall establish and broadly disseminate
15 to the public a public participation program identifying procedures
16 whereby proposed amendments or revisions of the comprehensive plan are
17 considered by the governing body of the county or city no more
18 frequently than once every year except that amendments may be
19 considered more frequently under the following circumstances:

20 (i) The initial adoption of a subarea plan; ~~((and))~~

21 (ii) The adoption or amendment of a shoreline master program under
22 the procedures set forth in chapter 90.58 RCW; and

23 (iii) The amendment of the capital facilities element of a
24 comprehensive plan that occurs concurrently with the adoption or
25 amendment of a county or city budget.

26 (b) Except as otherwise provided in (a) of this subsection, all
27 proposals shall be considered by the governing body concurrently so the
28 cumulative effect of the various proposals can be ascertained.
29 However, after appropriate public participation a county or city may
30 adopt amendments or revisions to its comprehensive plan that conform
31 with this chapter whenever an emergency exists or to resolve an appeal
32 of a comprehensive plan filed with a growth management hearings board
33 or with the court.

34 (3) Each county that designates urban growth areas under RCW
35 36.70A.110 shall review, at least every ten years, its designated urban
36 growth area or areas, and the densities permitted within both the
37 incorporated and unincorporated portions of each urban growth area. In
38 conjunction with this review by the county, each city located within an

1 urban growth area shall review the densities permitted within its
2 boundaries, and the extent to which the urban growth occurring within
3 the county has located within each city and the unincorporated portions
4 of the urban growth areas. The county comprehensive plan designating
5 urban growth areas, and the densities permitted in the urban growth
6 areas by the comprehensive plans of the county and each city located
7 within the urban growth areas, shall be revised to accommodate the
8 urban growth projected to occur in the county for the succeeding
9 twenty-year period.

10 **Sec. 9.** RCW 36.70A.270 and 1996 c 325 s 1 are each amended to read
11 as follows:

12 Each growth management hearings board shall be governed by the
13 following rules on conduct and procedure:

14 (1) Any board member may be removed for inefficiency, malfeasance,
15 and misfeasance in office, under specific written charges filed by the
16 governor. The governor shall transmit such written charges to the
17 member accused and the chief justice of the supreme court. The chief
18 justice shall thereupon designate a tribunal composed of three judges
19 of the superior court to hear and adjudicate the charges. Removal of
20 any member of a board by the tribunal shall disqualify such member for
21 reappointment.

22 (2) Each board member shall receive reimbursement for travel
23 expenses incurred in the discharge of his or her duties in accordance
24 with RCW 43.03.050 and 43.03.060. If it is determined that the review
25 boards shall operate on a full-time basis, each member shall receive an
26 annual salary to be determined by the governor pursuant to RCW
27 43.03.040. If it is determined that a review board shall operate on a
28 part-time basis, each member shall receive compensation pursuant to RCW
29 43.03.250, provided such amount shall not exceed the amount that would
30 be set if they were a full-time board member. The principal office of
31 each board shall be located by the governor within the jurisdictional
32 boundaries of each board. The boards shall operate on either a part-
33 time or full-time basis, as determined by the governor.

34 (3) Each board member shall not: (a) Be a candidate for or hold
35 any other public office or trust; (b) engage in any occupation or
36 business interfering with or inconsistent with his or her duty as a
37 board member; and (c) for a period of one year after the termination of

1 his or her board membership, act in a representative capacity before
2 the board on any matter.

3 (4) A majority of each board shall constitute a quorum for making
4 orders or decisions, adopting rules necessary for the conduct of its
5 powers and duties, or transacting other official business, and may act
6 even though one position of the board is vacant. One or more members
7 may hold hearings and take testimony to be reported for action by the
8 board when authorized by rule or order of the board. The board shall
9 perform all the powers and duties specified in this chapter or as
10 otherwise provided by law.

11 (5) The board may appoint one or more hearing examiners to assist
12 the board in its hearing function, to make conclusions of law and
13 findings of fact and, if requested by the board, to make
14 recommendations to the board for decisions in cases before the board.
15 Such hearing examiners must have demonstrated knowledge of land use
16 planning and law. The boards shall specify in their joint rules of
17 practice and procedure, as required by subsection (7) of this section,
18 the procedure and criteria to be employed for designating hearing
19 examiners as a presiding officer. Hearing examiners selected by a
20 board shall meet the requirements of subsection (3) of this section.
21 The findings and conclusions of the hearing examiner shall not become
22 final until they have been formally approved by the board. This
23 authorization to use hearing examiners does not waive the requirement
24 of RCW 36.70A.300 that final orders be issued within one hundred eighty
25 days of board receipt of a petition.

26 (6) Each board shall make findings of fact and prepare a written
27 decision in each case decided by it, and such findings and decision
28 shall be effective upon being signed by two or more members of the
29 board and upon being filed at the board's principal office, and shall
30 be open for public inspection at all reasonable times.

31 (7) All proceedings before the board, any of its members, or a
32 hearing examiner appointed by the board shall be conducted in
33 accordance with such administrative rules of practice and procedure as
34 the boards jointly prescribe. All three boards shall jointly meet to
35 develop and adopt joint rules of practice and procedure, including
36 rules regarding expeditious and summary disposition of appeals. The
37 boards shall publish such rules and decisions they render and arrange
38 for the reasonable distribution of the rules and decisions. Except as
39 it conflicts with specific provisions of this chapter, the

1 administrative procedure act, chapter 34.05 RCW, and specifically
2 including the provisions of RCW 34.05.455 governing ex parte
3 communications, shall govern the practice and procedure of the boards.

4 (8) A board member or hearing examiner is subject to
5 disqualification under chapter 34.05 RCW. The joint rules of practice
6 of the boards shall establish procedures by which a party to a hearing
7 conducted before the board may file with the board a motion to
8 disqualify, with supporting affidavit, against a board member or
9 hearing examiner assigned to preside at the hearing.

10 (9) The members of the boards shall meet jointly on at least an
11 annual basis with the objective of sharing information that promotes
12 the goals and purposes of this chapter.

13 NEW SECTION. Sec. 10. A new section is added to chapter 36.70A
14 RCW to read as follows:

15 (1) A growth management hearings board may only take official
16 notice of:

17 (a) Any judicially cognizable facts, including adopted resolutions
18 or ordinances of a county or city;

19 (b) Technical or scientific facts within the board's specialized
20 knowledge; and

21 (c) Codes or standards that have been adopted by an agency of the
22 United States, of this state or of another state, or by a nationally
23 recognized organization or association.

24 (2) Parties shall be notified either before or during the hearing,
25 or by reference in preliminary reports or otherwise, of the material so
26 noticed and the sources thereof, including any staff memoranda and
27 data, and they shall be afforded an opportunity to contest the facts
28 and material so noticed. A party proposing that official notice be
29 taken may be required to produce a copy of the material to be noticed.

30 **Sec. 11.** RCW 36.70A.290 and 1995 c 347 s 109 are each amended to
31 read as follows:

32 (1) All requests for review to a growth management hearings board
33 shall be initiated by filing a petition that includes a detailed
34 statement of issues presented for resolution by the board. The board
35 shall render written decisions articulating the basis for its holdings.
36 The board shall not issue advisory opinions on issues not presented to

1 the board in the statement of issues, as modified by any prehearing
2 order.

3 (2) All petitions relating to whether or not an adopted
4 comprehensive plan, development regulation, or permanent amendment
5 thereto, is in compliance with the goals and requirements of this
6 chapter or chapter 90.58 or 43.21C RCW must be filed within sixty days
7 after publication by the legislative bodies of the county or city.

8 (a) Except as provided in (c) of this subsection, the date of
9 publication for a city shall be the date the city publishes the
10 ordinance, or summary of the ordinance, adopting the comprehensive plan
11 or development regulations, or amendment thereto, as is required to be
12 published.

13 (b) Promptly after adoption, a county shall publish a notice that
14 it has adopted the comprehensive plan or development regulations, or
15 amendment thereto.

16 Except as provided in (c) of this subsection, for purposes of this
17 section the date of publication for a county shall be the date the
18 county publishes the notice that it has adopted the comprehensive plan
19 or development regulations, or amendment thereto.

20 (c) For local governments planning under RCW 36.70A.040, promptly
21 after approval or disapproval of a local government s shoreline master
22 program or amendment thereto by the department of ecology as provided
23 in RCW 90.58.090, the local government shall publish a notice that the
24 shoreline master program or amendment thereto has been approved or
25 disapproved by the department of ecology. For purposes of this
26 section, the date of publication for the adoption or amendment of a
27 shoreline master program is the date the local government publishes
28 notice that the shoreline master program or amendment thereto has been
29 approved or disapproved by the department of ecology.

30 (3) Unless the board dismisses the petition as frivolous or finds
31 that the person filing the petition lacks standing, or the parties have
32 filed an agreement to have the case heard in superior court as provided
33 in section 12 of this act, the board shall, within ten days of receipt
34 of the petition, set a time for hearing the matter.

35 (4) The board shall base its decision on the record developed by
36 the city, county, or the state and supplemented with additional
37 evidence if the board determines that such additional evidence would be
38 necessary or of substantial assistance to the board in reaching its
39 decision.

1 (5) The board, shall consolidate, when appropriate, all petitions
2 involving the review of the same comprehensive plan or the same
3 development regulation or regulations.

4 NEW SECTION. **Sec. 12.** A new section is added to chapter 36.70A
5 RCW to read as follows:

6 (1) The superior court may directly review a petition for review
7 filed under RCW 36.70A.290 if all parties to the proceeding before the
8 board have agreed to direct review in the superior court. The
9 agreement of the parties shall be in writing and signed by all of the
10 parties to the proceeding or their designated representatives. The
11 agreement shall include the parties' agreement to proper venue as
12 provided in RCW 36.70A.300(5). The parties shall file their agreement
13 with the board within ten days after the date the petition is filed, or
14 if multiple petitions have been filed and the board has consolidated
15 the petitions pursuant to RCW 36.70A.300, within ten days after the
16 board serves its order of consolidation.

17 (2) Within ten days of receiving the timely and complete agreement
18 of the parties, the board shall file a certificate of agreement with
19 the designated superior court and shall serve the parties with copies
20 of the certificate. The superior court shall obtain exclusive
21 jurisdiction over a petition when it receives the certificate of
22 agreement. The board shall file the certificate of agreement, the
23 petition for review, and other required documents with the designated
24 superior court and any orders entered by the board, all other documents
25 in the board's files regarding the action, and the written agreement of
26 the parties.

27 (3) For purposes of a petition that is subject to direct review,
28 the superior court's subject matter jurisdiction shall be equivalent to
29 that of the board. Consistent with the requirements of the superior
30 court civil rules, the superior court may consolidate a petition
31 subject to direct review under this section with a separate action
32 filed in the superior court.

33 (4)(a) Except as otherwise provided in (b) and (c) of this
34 subsection, RCW 36.70A.280 through 36.70A.330, which specify the nature
35 and extent of board review, apply to the superior court's review.

36 (b) The superior court:

37 (i) Shall not have jurisdiction to directly review or modify an
38 office of financial management population projection;

1 (ii) Except as otherwise provided in RCW 36.70A.300(2)(b), shall
2 render its decision on the petition within one hundred eighty days of
3 receiving the certification of agreement; and

4 (iii) Shall give a compliance hearing under RCW 36.70A.330(2) the
5 highest priority of all civil matters before the court.

6 (c) An aggrieved party may secure appellate review of a final
7 judgment of the superior court under this section by the supreme court
8 or the court of appeals. The review shall be secured in the manner
9 provided by law for review of superior court decisions in other civil
10 cases.

11 (5) If, following a compliance hearing, the court finds that the
12 state agency, county, or city is not in compliance with the court's
13 prior order, the court may use its remedial and contempt powers to
14 enforce compliance.

15 (6) The superior court shall transmit a copy of its decision and
16 order to the board, the department, and the governor. If the court has
17 determined that a county or city is not in compliance with the
18 provisions of this chapter, the governor may impose sanctions against
19 the county or city in the same manner as if a board had recommended the
20 imposition of sanctions as provided in RCW 36.70A.330.

21 (7) After the court has assumed jurisdiction over a petition for
22 review under this section, the superior court civil rules govern a
23 request for intervention and all other procedural matters not
24 specifically provided for in this section.

25 **Sec. 13.** RCW 36.70A.300 and 1995 c 347 s 110 are each amended to
26 read as follows:

27 (1) The board shall issue a final order (~~((within one hundred eighty
28 days of receipt of the petition for review, or, when multiple petitions
29 are filed, within one hundred eighty days of receipt of the last
30 petition that is consolidated. Such a final order))~~) that shall be
31 based exclusively on whether or not a state agency, county, or city is
32 in compliance with the requirements of this chapter, chapter 90.58 RCW
33 as it relates to adoption or amendment of shoreline master programs, or
34 chapter 43.21C RCW as it relates to adoption of plans, development
35 regulations, and amendments thereto, (~~(adopted)~~) under RCW 36.70A.040
36 or chapter 90.58 RCW.

37 (2)(a) Except as provided in (b) of this subsection, the final
38 order shall be issued within one hundred eighty days of receipt of the

1 petition for review, or, if multiple petitions are filed, within one
2 hundred eighty days of receipt of the last petition that is
3 consolidated.

4 (b) The board may extend the period of time for issuing a decision
5 to enable the parties to settle the dispute if additional time is
6 necessary to achieve a settlement, and (i) an extension is requested by
7 all parties, or (ii) an extension is requested by the petitioner and
8 respondent and the board determines that a negotiated settlement
9 between the remaining parties could resolve significant issues in
10 dispute. The request must be filed with the board not later than seven
11 days before the date scheduled for the hearing on the merits of the
12 petition. The board may authorize one or more extensions for up to
13 ninety days each, subject to the requirements of this section.

14 (3) In the final order, the board shall either:

15 (a) Find that the state agency, county, or city is in compliance
16 with the requirements of this chapter ((~~or~~)), chapter 90.58 RCW as it
17 relates to the adoption or amendment of shoreline master programs, or
18 chapter 43.21C RCW as it relates to adoption of plans, development
19 regulations, and amendments thereto, under RCW 36.70A.040 or chapter
20 90.58 RCW; or

21 (b) Find that the state agency, county, or city is not in
22 compliance with the requirements of this chapter ((~~or~~)), chapter 90.58
23 RCW as it relates to the adoption or amendment of shoreline master
24 programs, or chapter 43.21C RCW as it relates to adoption of plans,
25 development regulations, and amendments thereto, under RCW 36.70A.040
26 or chapter 90.58 RCW, in which case the board shall remand the matter
27 to the affected state agency, county, or city ((and)). The board shall
28 specify a reasonable time not in excess of one hundred eighty days, or
29 such longer period as determined by the board in cases of unusual scope
30 or complexity, within which the state agency, county, or city shall
31 comply with the requirements of this chapter. The board may require
32 periodic reports to the board on the progress the jurisdiction is
33 making towards compliance.

34 ((~~2~~)) (4) Unless the board makes a determination of invalidity as
35 provided in section 14 of this act, a finding of noncompliance and an
36 order of remand shall not affect the validity of comprehensive plans
37 and development regulations during the period of remand(~~(, unless the~~
38 board's final order also:

1 ~~(a) Includes a determination, supported by findings of fact and~~
2 ~~conclusions of law, that the continued validity of the plan or~~
3 ~~regulation would substantially interfere with the fulfillment of the~~
4 ~~goals of this chapter; and~~

5 ~~(b) Specifies the particular part or parts of the plan or~~
6 ~~regulation that are determined to be invalid, and the reasons for their~~
7 ~~invalidity.~~

8 ~~(3) A determination of invalidity shall:~~

9 ~~(a) Be prospective in effect and shall not extinguish rights that~~
10 ~~vested under state or local law before the date of the board's order;~~
11 ~~and~~

12 ~~(b) Subject any development application that would otherwise vest~~
13 ~~after the date of the board's order to the local ordinance or~~
14 ~~resolution that both is enacted in response to the order of remand and~~
15 ~~determined by the board pursuant to RCW 36.70A.330 to comply with the~~
16 ~~requirements of this chapter.~~

17 ~~(4) If the ordinance that adopts a plan or development regulation~~
18 ~~under this chapter includes a savings clause intended to revive prior~~
19 ~~policies or regulations in the event the new plan or regulations are~~
20 ~~determined to be invalid, the board shall determine under subsection~~
21 ~~(2) of this section whether the prior policies or regulations are valid~~
22 ~~during the period of remand)).~~

23 (5) Any party aggrieved by a final decision of the hearings board
24 may appeal the decision to superior court as provided in RCW 34.05.514
25 or 36.01.050 within thirty days of the final order of the board.

26 NEW SECTION. **Sec. 14.** A new section is added to chapter 36.70A
27 RCW to read as follows:

28 (1) A board may determine that part or all of a comprehensive plan
29 or development regulations are invalid if the board:

30 (a) Makes a finding of noncompliance and issues an order of remand
31 under RCW 36.70A.300;

32 (b) Includes in the final order a determination, supported by
33 findings of fact and conclusions of law, that the continued validity of
34 part or parts of the plan or regulation would substantially interfere
35 with the fulfillment of the goals of this chapter; and

36 (c) Specifies in the final order the particular part or parts of
37 the plan or regulation that are determined to be invalid, and the
38 reasons for their invalidity.

1 (2) A determination of invalidity is prospective in effect and does
2 not extinguish rights that vested under state or local law before
3 receipt of the board's order by the city or county. The determination
4 of invalidity does not apply to a completed development permit
5 application for a project that vested under state or local law before
6 receipt of the board's order by the county or city or to related
7 construction permits for that project.

8 (3)(a) Except as otherwise provided in subsection (2) of this
9 section and (b) of this subsection, a development permit application
10 not vested under state or local law before receipt by the county or
11 city of the board's determination of invalidity vests to the local
12 ordinance or resolution that is determined by the board not to
13 substantially interfere with the fulfillment of the goals of this
14 chapter.

15 (b) Even though the application is not vested under state or local
16 law before receipt by the county or city of the board's order, a
17 determination of invalidity does not apply to a development permit
18 application for:

19 (i) A permit for construction by any owner, lessee, or contract
20 purchaser of a single-family residence for his or her own use or for
21 the use of his or her family on a lot existing before receipt by the
22 county or city of the board's order, except as otherwise specifically
23 provided in the board's order to protect the public health and safety;

24 (ii) A building permit and related construction permits for
25 remodeling, tenant improvements, or expansion of an existing structure
26 on a lot existing before receipt of the board's order by the county or
27 city; and

28 (iii) A boundary line adjustment or a division of land that does
29 not increase the number of buildable lots existing before receipt of
30 the board's order by the county or city.

31 (4) If the ordinance that adopts a plan or development regulation
32 under this chapter includes a savings clause intended to revive prior
33 policies or regulations in the event the new plan or regulations are
34 determined to be invalid, the board shall determine under subsection
35 (1) of this section whether the prior policies or regulations are valid
36 during the period of remand.

37 (5) A county or city subject to a determination of invalidity may
38 adopt interim controls and other measures to be in effect until it
39 adopts a comprehensive plan and development regulations that comply

1 with the requirements of this chapter. A development permit
2 application may vest under an interim control or measure upon
3 determination by the board that the interim controls and other measures
4 do not substantially interfere with the fulfillment of the goals of
5 this chapter.

6 (6) A county or city subject to a determination of invalidity may
7 file a motion requesting that the board clarify, modify, or rescind the
8 order. The board shall expeditiously schedule a hearing on the motion.
9 At the hearing on the motion, the parties may present information to
10 the board to clarify the part or parts of the comprehensive plan or
11 development regulations to which the final order applies. The board
12 shall issue any supplemental order based on the information provided at
13 the hearing not later than thirty days after the date of the hearing.

14 (7)(a) If a determination of invalidity has been made and the
15 county or city has enacted an ordinance or resolution amending the
16 invalidated part or parts of the plan or regulation or establishing
17 interim controls on development affected by the order of invalidity,
18 after a compliance hearing, the board shall modify or rescind the
19 determination of invalidity if it determines under the standard in
20 subsection (1) of this section that the plan or regulation, as amended
21 or made subject to such interim controls, will no longer substantially
22 interfere with the fulfillment of the goals of this chapter.

23 (b) If the board determines that part or parts of the plan or
24 regulation are no longer invalid as provided in this subsection, but
25 does not find that the plan or regulation is in compliance with all of
26 the requirements of this chapter, the board, in its order, may require
27 periodic reports to the board on the progress the jurisdiction is
28 making towards compliance.

29 **Sec. 15.** RCW 36.70A.305 and 1996 c 325 s 4 are each amended to
30 read as follows:

31 The court shall provide expedited review of ~~((a determination of~~
32 ~~invalidity or))~~ an order ~~((effectuating))~~ that includes a determination
33 of invalidity made or issued under RCW 36.70A.300 and section 14 of
34 this act. The matter must be set for hearing within sixty days of the
35 date set for submitting the board's record, absent a showing of good
36 cause for a different date or a stipulation of the parties.

1 **Sec. 16.** RCW 36.70A.320 and 1995 c 347 s 111 are each amended to
2 read as follows:

3 (1) Except as provided in subsection (~~((2))~~) (5) of this section,
4 comprehensive plans and development regulations, and amendments
5 thereto, adopted under this chapter are presumed valid upon adoption.

6 (2) Except as otherwise provided in subsection (4) of this section,
7 the burden is on the petitioner to demonstrate that any action taken by
8 a state agency, county, or city under this chapter is not in compliance
9 with the requirements of this chapter.

10 (3) In any petition under this chapter, the board, after full
11 consideration of the petition, shall determine whether there is
12 compliance with the requirements of this chapter. In making its
13 determination, the board shall consider the criteria adopted by the
14 department under RCW 36.70A.190(4). The board shall find compliance
15 unless it (~~(finds by a preponderance of the evidence that the state~~
16 agency, county, or city erroneously interpreted or applied this
17 chapter)) determines that the action by the state agency, county, or
18 city is clearly erroneous in view of the entire record before the board
19 and in light of the goals and requirements of this chapter.

20 (~~((2))~~) (4) A county or city subject to a determination of
21 invalidity made under RCW 36.70A.300 or section 14 of this act has the
22 burden of demonstrating that the ordinance or resolution it has enacted
23 in response to the determination of invalidity will no longer
24 substantially interfere with the fulfillment of the goals of chapter
25 . . ., Laws of 1997 (this act) under the standard in section 14(1) of
26 this act.

27 (5) The shoreline element of a comprehensive plan and the
28 applicable development regulations adopted by a county or city shall
29 take effect as provided in chapter 90.58 RCW.

30 **Sec. 17.** RCW 36.70A.330 and 1995 c 347 s 112 are each amended to
31 read as follows:

32 (1) After the time set for complying with the requirements of this
33 chapter under RCW (~~(36.70A.300(1)(b))~~) 36.70A.300(3)(b) has expired, or
34 at an earlier time upon the motion of a county or city subject to a
35 determination of invalidity under RCW 36.70A.300, the board shall set
36 a hearing for the purpose of determining whether the state agency,
37 county, or city is in compliance with the requirements of this chapter.

1 (2) The board shall conduct a hearing and issue a finding of
2 compliance or noncompliance with the requirements of this chapter and
3 with any compliance schedule established by the board in its final
4 order. A person with standing to challenge the legislation enacted in
5 response to the board's final order may participate in the hearing
6 along with the petitioner and the state agency, ~~((city, or))~~ county, or
7 city. A hearing under this subsection shall be given the highest
8 priority of business to be conducted by the board, and a finding shall
9 be issued within forty-five days of the filing of the motion under
10 subsection (1) of this section with the board. The board shall issue
11 any order necessary to make adjustments to the compliance schedule and
12 set additional hearings as provided in subsection (5) of this section.

13 (3) If the board after a compliance hearing finds that the state
14 agency, county, or city is not in compliance, the board shall transmit
15 its finding to the governor. The board may recommend to the governor
16 that the sanctions authorized by this chapter be imposed. The board
17 shall take into consideration the county's or city's efforts to meet
18 its compliance schedule in making the decision to recommend sanctions
19 to the governor.

20 (4) In a compliance hearing upon petition of a party, the board
21 shall also reconsider its final order and decide~~((÷~~

22 ~~(a) If a determination of invalidity has been made, whether such a~~
23 ~~determination should be rescinded or modified under the standards in~~
24 ~~RCW 36.70A.300(2); or~~

25 ~~(b))~~, if no determination of invalidity has been made, whether one
26 now should be made ~~((under the standards in RCW 36.70A.300(2)))~~ under
27 section 14 of this act.

28 (5) The board shall schedule additional hearings as appropriate
29 pursuant to subsections (1) and (2) of this section.

30 NEW SECTION. Sec. 18. A new section is added to chapter 36.70A
31 RCW to read as follows:

32 A county or city subject to an order of invalidity issued before
33 the effective date of section 13 of this act, by motion may request the
34 board to review the order of invalidity in light of the section 13,
35 chapter . . . , Laws of 1997 (section 13 of this act) amendments to RCW
36 36.70A.300, the section 17, chapter . . . , Laws of 1997 (section 17 of
37 this act) amendments to RCW 36.70A.330, and section 14 of this act. If
38 a request is made, the board shall rescind or modify the order of

1 invalidity as necessary to make it consistent with the section 13,
2 chapter . . . , Laws of 1997 (section 13 of this act) amendments to RCW
3 36.70A.300, and to the section 17, chapter . . . , Laws of 1997 (section
4 17 of this act) amendments to RCW 36.70A.330, and section 14 of this
5 act.

6 NEW SECTION. **Sec. 19.** A new section is added to chapter 36.70A
7 RCW to read as follows:

8 (1) A county or a city may use a variety of innovative zoning
9 techniques in areas designated as agricultural lands of long-term
10 commercial significance under RCW 36.70A.170. The innovative zoning
11 techniques should be designed to conserve agricultural lands and
12 encourage the agricultural economy. A county or city should encourage
13 nonagricultural uses to be limited to lands with poor soils or
14 otherwise not suitable for agricultural purposes.

15 (2) Innovative zoning techniques a county or city may consider
16 include, but are not limited to:

17 (a) Agricultural zoning, which limits the density of development
18 and restricts or prohibits nonfarm uses of agricultural land;

19 (b) Cluster zoning, which allows new development on one portion of
20 the land, leaving the remainder in agricultural or open space uses;

21 (c) Large lot zoning, which establishes as a minimum lot size the
22 amount of land necessary to achieve a successful farming practice;

23 (d) Quarter/quarter zoning, which permits one residential dwelling
24 on a one-acre minimum lot for each one-sixteenth of a section of land;
25 and

26 (e) Sliding scale zoning, which allows the number of lots for
27 single-family residential purposes with a minimum lot size of one acre
28 to increase inversely as the size of the total acreage increases.

29 NEW SECTION. **Sec. 20.** A new section is added to chapter 36.70A
30 RCW to read as follows:

31 (1) A county and its cities, as provided in subsection (7) of this
32 section, shall establish a monitoring and evaluation program to
33 determine their progress towards meeting the goals of this chapter.

34 (2) The monitoring program shall encompass land use and resources
35 both within and outside of urban growth areas. The county and its
36 cities shall use the county-wide planning policy process to work
37 cooperatively among themselves and with state agencies, neighboring

1 counties, regional planning organizations, tribes, and special purpose
2 districts to develop and implement the monitoring required by this
3 section.

4 (3) The evaluation component of the program required by subsection
5 (1) of this section requires an evaluation of at least the land use
6 elements, critical area protections, and capital facilities elements of
7 the county-wide planning policies and county and city comprehensive
8 plans in meeting the goals of this chapter and the policies established
9 in the county-wide planning policy process, specifically including an
10 analysis of the success of the county-wide planning policies and
11 comprehensive plan towards meeting residential densities and uses. The
12 evaluation shall be conducted every five years, with the first
13 evaluation occurring within five years after the later of the date the
14 county adopted its comprehensive plan or the last periodic review
15 required by this chapter.

16 (4) If the evaluation required by subsection (3) of this section
17 shows that the county or one or more of its cities are not making
18 satisfactory progress towards meeting the goals of this chapter, the
19 county and the cities shall consider and implement measures that will
20 be effective in making progress towards meeting the goals of this
21 chapter and the policies established in the county-wide planning
22 policies. The county and its cities shall annually monitor the
23 measures that have been adopted to determine whether they are
24 successful.

25 (5)(a) If, after three years of the annual monitoring required by
26 subsection (3) of this section, the county and its cities demonstrate
27 that the measures have not been effective in making progress towards
28 meeting the goals of this chapter and the county-wide planning policy
29 goals, the county may make adjustments to one or more urban growth
30 areas that the county and its cities demonstrate are necessary to make
31 progress towards the goals of this chapter and the county-wide planning
32 policies.

33 (b) If, after the evaluation required by subsection (3) of this
34 section, the county and its cities demonstrate that they have explored
35 available measures and that those measures would not be effective in
36 making progress towards meeting the goals of this chapter and the
37 county-wide planning policies, the county may make adjustments to one
38 or more urban growth areas that the county and its cities demonstrate

1 are necessary to make satisfactory progress towards the goals of this
2 chapter and the county-wide planning policies.

3 (6) From funds appropriated by the legislature for this purpose,
4 the department shall provide grants to counties, cities, and regional
5 planning organizations to conduct the monitoring and perform the
6 evaluation required by this section.

7 (7) This section applies to the counties, and the cities within
8 those counties, of Snohomish, King, Pierce, Kitsap, Thurston, and
9 Clark.

10 NEW SECTION. Sec. 21. If funds for the purposes of section 20 of
11 this act are not provided in the 1997-99 biennial budget by June 30,
12 1997, referencing this act by bill or chapter number, section number,
13 and subject matter, section 20 of this act is null and void.

14 **Sec. 22.** RCW 36.70A.500 and 1995 c 347 s 116 are each amended to
15 read as follows:

16 (1) The department of community, trade, and economic development
17 shall provide management services for the fund created by RCW
18 36.70A.490. The department (~~by rule~~) shall establish procedures for
19 fund management. The department shall encourage participation in the
20 grant program by other public agencies. The department shall develop
21 the grant criteria, monitor the grant program, and select grant
22 recipients in consultation with state agencies participating in the
23 grant program through the provision of grant funds or technical
24 assistance.

25 (2) A grant may be awarded to a county or city that is required to
26 or has chosen to plan under RCW 36.70A.040 and that is qualified
27 pursuant to this section. The grant shall be provided to assist a
28 county or city in paying for the cost of preparing (~~a detailed~~
29 ~~environmental impact statement~~) an environmental analysis under
30 chapter 43.21C RCW, that is integrated with a comprehensive plan
31 (~~or~~), subarea plan (~~and~~), plan element, county-wide planning
32 policy, development regulation(~~s~~), monitoring program, or other
33 planning activity adopted under or implementing this chapter that:

34 (a) Improves the process for project permit review while
35 maintaining environmental quality; or

1 (b) Encourages use of plans and information developed for purposes
2 of complying with this chapter to satisfy requirements of other state
3 programs.

4 (3) In order to qualify for a grant, a county or city shall:

5 (a) Demonstrate that it will prepare an environmental analysis
6 pursuant to chapter 43.21C RCW and subsection (2) of this section that
7 is integrated with a comprehensive plan ~~((or))~~, subarea plan ~~((and))~~,
8 plan element, county-wide planning policy, development regulations,
9 monitoring program, or other planning activity adopted under or
10 implementing this chapter;

11 (b) Address environmental impacts and consequences, alternatives,
12 and mitigation measures in sufficient detail to allow the analysis to
13 be adopted in whole or in part by ~~((subsequent))~~ applicants for
14 development permits within the geographic area analyzed in the plan;

15 (c) Demonstrate that procedures for review of development permit
16 applications will be based on the integrated plans and environmental
17 analysis;

18 (d) Include mechanisms ((in the plan)) to monitor the consequences
19 of growth as it occurs in the plan area and ((provide ongoing)) to use
20 the resulting data to update the plan, policy, or implementing
21 mechanisms and associated environmental analysis;

22 ~~((d) Be making))~~ (e) Demonstrate substantial progress towards
23 compliance with the requirements of this chapter. A county or city
24 that is more than six months out of compliance with a requirement of
25 this chapter is deemed not to be making substantial progress towards
26 compliance; and

27 ~~((e))~~ (f) Provide local funding, which may include financial
28 participation by the private sector.

29 (4) In awarding grants, the department shall give preference to
30 proposals that include one or more of the following elements:

31 (a) Financial participation by the private sector, or a public/
32 private partnering approach;

33 (b) ~~((Comprehensive and subarea plan proposals that are designed to~~
34 identify and monitor)) Identification and monitoring of system
35 capacities for elements of the built environment, and to the extent
36 appropriate, of the natural environment;

37 (c) Coordination with state, federal, and tribal governments in
38 project review;

1 (d) Furtherance of important state objectives related to economic
2 development, protection of areas of state-wide significance, and siting
3 of essential public facilities;

4 (e) Programs to improve the efficiency and effectiveness of the
5 permitting process by greater reliance on integrated plans and
6 prospective environmental analysis;

7 ~~((d))~~ (f) Programs for effective citizen and neighborhood
8 involvement that contribute to greater ((certainty)) likelihood that
9 planning decisions ((will)) can be implemented with community support;
10 and

11 ~~((e) Plans that)~~ (g) Programs to identify environmental impacts
12 and establish mitigation measures that provide effective means to
13 satisfy concurrency requirements and establish project consistency with
14 the plans.

15 (5) If the local funding includes funding provided by other state
16 functional planning programs, including open space planning and
17 watershed or basin planning, the functional plan shall be integrated
18 into and be consistent with the comprehensive plan.

19 (6) State agencies shall work with grant recipients to facilitate
20 state and local project review processes that will implement the
21 projects receiving grants under this section.

22 **Sec. 23.** RCW 84.34.020 and 1992 c 69 s 4 are each amended to read
23 as follows:

24 As used in this chapter, unless a different meaning is required by
25 the context:

26 (1) "Open space land" means (a) any land area so designated by an
27 official comprehensive land use plan adopted by any city or county and
28 zoned accordingly(~~(+,+)~~), or (b) any land area, the preservation of
29 which in its present use would (i) conserve and enhance natural or
30 scenic resources, or (ii) protect streams or water supply, or (iii)
31 promote conservation of soils, wetlands, beaches or tidal marshes, or
32 (iv) enhance the value to the public of abutting or neighboring parks,
33 forests, wildlife preserves, nature reservations or sanctuaries or
34 other open space, or (v) enhance recreation opportunities, or (vi)
35 preserve historic sites, or (vii) preserve visual quality along
36 highway, road, and street corridors or scenic vistas, or (viii) retain
37 in its natural state tracts of land not less than one acre situated in
38 an urban area and open to public use on such conditions as may be

1 reasonably required by the legislative body granting the open space
2 classification, or (c) any land meeting the definition of farm and
3 agricultural conservation land under subsection (8) of this section.
4 As a condition of granting open space classification, the legislative
5 body may not require public access on land classified under (b)(iii) of
6 this subsection for the purpose of promoting conservation of wetlands.

7 (2) "Farm and agricultural land" means ~~((either))~~ :

8 (a) Any parcel of land that is twenty or more acres or multiple
9 parcels of land that are contiguous and total twenty or more acres :

10 (i) Devoted primarily to the production of livestock or
11 agricultural commodities for commercial purposes ~~((τ))~~ i

12 (ii) Enrolled in the federal conservation reserve program or its
13 successor administered by the United States department of
14 agriculture ~~((τ))~~ i or

15 (iii) Other similar commercial activities as may be established by
16 rule ~~((following consultation with the advisory committee established
17 in section 19 of this act))~~ ;

18 (b) Any parcel of land that is five acres or more but less than
19 twenty acres devoted primarily to agricultural uses, which has produced
20 a gross income from agricultural uses equivalent to, as of January 1,
21 1993 ~~((τ))~~ :

22 (i) One hundred dollars or more per acre per year for three of the
23 five calendar years preceding the date of application for
24 classification under this chapter for all parcels of land that are
25 classified under this subsection or all parcels of land for which an
26 application for classification under this subsection is made with the
27 granting authority prior to January 1, 1993 ~~((τ))~~ i and

28 (ii) On or after January 1, 1993, two hundred dollars or more per
29 acre per year for three of the five calendar years preceding the date
30 of application for classification under this chapter ;

31 (c) Any parcel of land of less than five acres devoted primarily to
32 agricultural uses which has produced a gross income as of January 1,
33 1993, of :

34 (i) One thousand dollars or more per year for three of the five
35 calendar years preceding the date of application for classification
36 under this chapter for all parcels of land that are classified under
37 this subsection or all parcels of land for which an application for
38 classification under this subsection is made with the granting
39 authority prior to January 1, 1993 ~~((τ))~~ i and

1 (ii) On or after January 1, 1993, fifteen hundred dollars or more
2 per year for three of the five calendar years preceding the date of
3 application for classification under this chapter.

4 Parcels of land described in (b)(i) and (c)(i) of this subsection
5 shall, upon any transfer of the property excluding a transfer to a
6 surviving spouse, be subject to the limits of (b)(ii) and (c)(ii) of
7 this subsection.

8 Agricultural lands shall also include such incidental uses as are
9 compatible with agricultural purposes, including wetlands preservation,
10 provided such incidental use does not exceed twenty percent of the
11 classified land and the land on which appurtenances necessary to the
12 production, preparation, or sale of the agricultural products exist in
13 conjunction with the lands producing such products. Agricultural lands
14 shall also include any parcel of land of one to five acres, which is
15 not contiguous, but which otherwise constitutes an integral part of
16 farming operations being conducted on land qualifying under this
17 section as "farm and agricultural lands"; ~~((or))~~

18 (d) The land on which housing for employees and the principal place
19 of residence of the farm operator or owner of land classified pursuant
20 to (a) of this subsection is sited if: The housing or residence is on
21 or contiguous to the classified parcel; and the use of the housing or
22 the residence is integral to the use of the classified land for
23 agricultural purposes;

24 (e) Any parcel of land designated as agricultural land under RCW
25 36.70A.170; or

26 (f) Any parcel of land not within an urban growth area zoned as
27 agricultural land under a comprehensive plan adopted under chapter
28 36.70A RCW.

29 (3) "Timber land" means any parcel of land that is five or more
30 acres or multiple parcels of land that are contiguous and total five or
31 more acres which is or are devoted primarily to the growth and harvest
32 of forest crops for commercial purposes. A timber management plan
33 shall be filed with the county legislative authority at the time (a) an
34 application is made for classification as timber land pursuant to this
35 chapter or (b) when a sale or transfer of timber land occurs and a
36 notice of classification continuance is signed. Timber land means the
37 land only.

38 (4) "Current" or "currently" means as of the date on which property
39 is to be listed and valued by the assessor.

1 (5) "Owner" means the party or parties having the fee interest in
2 land, except that where land is subject to real estate contract "owner"
3 shall mean the contract vendee.

4 (6) "Contiguous" means land adjoining and touching other property
5 held by the same ownership. Land divided by a public road, but
6 otherwise an integral part of a farming operation, shall be considered
7 contiguous.

8 (7) "Granting authority" means the appropriate agency or official
9 who acts on an application for classification of land pursuant to this
10 chapter.

11 (8) "Farm and agricultural conservation land" means either:

12 (a) Land that was previously classified under subsection (2) of
13 this section, that no longer meets the criteria of subsection (2) of
14 this section, and that is reclassified under subsection (1) of this
15 section; or

16 (b) Land that is traditional farmland that is not classified under
17 chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a
18 use inconsistent with agricultural uses, and that has a high potential
19 for returning to commercial agriculture.

20 **Sec. 24.** RCW 84.34.060 and 1992 c 69 s 8 are each amended to read
21 as follows:

22 In determining the true and fair value of open space land and
23 timber land, which has been classified as such under the provisions of
24 this chapter, the assessor shall consider only the use to which such
25 property and improvements is currently applied and shall not consider
26 potential uses of such property. The assessed valuation of open space
27 land shall not be less than the minimum value per acre of classified
28 farm and agricultural land except that the assessed valuation of open
29 space land may be valued based on the public benefit rating system
30 adopted under RCW 84.34.055: PROVIDED FURTHER, That timber land shall
31 be valued according to chapter 84.33 RCW. In valuing any tract or
32 parcel of real property designated and zoned under a comprehensive plan
33 adopted under chapter 36.70A RCW as agricultural, forest, or open space
34 land, the appraisal shall not be based on similar sales of parcels that
35 have been converted to nonagricultural, nonforest, or nonopen-space
36 uses within five years after the sale.

1 **Sec. 25.** RCW 84.34.065 and 1992 c 69 s 9 are each amended to read
2 as follows:

3 The true and fair value of farm and agricultural land shall be
4 determined by consideration of the earning or productive capacity of
5 comparable lands from crops grown most typically in the area averaged
6 over not less than five years, capitalized at indicative rates. The
7 earning or productive capacity of farm and agricultural lands shall be
8 the "net cash rental", capitalized at a "rate of interest" charged on
9 long term loans secured by a mortgage on farm or agricultural land plus
10 a component for property taxes. The current use value of land under
11 RCW 84.34.020(2)(d) shall be established as: The prior year's average
12 value of open space farm and agricultural land used in the county plus
13 the value of land improvements such as septic, water, and power used to
14 serve the residence. This shall not be interpreted to require the
15 assessor to list improvements to the land with the value of the land.
16 In valuing any tract or parcel of real property designated and zoned
17 under a comprehensive plan adopted under chapter 36.70A RCW as
18 agricultural, forest, or open space land, the appraisal shall not be
19 based on similar sales of parcels that have been converted to
20 nonagricultural, nonforest, or nonopen-space uses within five years
21 after the sale.

22 For the purposes of the above computation:

23 (1) The term "net cash rental" shall mean the average rental paid
24 on an annual basis, in cash, for the land being appraised and other
25 farm and agricultural land of similar quality and similarly situated
26 that is available for lease for a period of at least three years to any
27 reliable person without unreasonable restrictions on its use for
28 production of agricultural crops. There shall be allowed as a
29 deduction from the rental received or computed any costs of crop
30 production charged against the landlord if the costs are such as are
31 customarily paid by a landlord. If "net cash rental" data is not
32 available, the earning or productive capacity of farm and agricultural
33 lands shall be determined by the cash value of typical or usual crops
34 grown on land of similar quality and similarly situated averaged over
35 not less than five years. Standard costs of production shall be
36 allowed as a deduction from the cash value of the crops.

37 The current "net cash rental" or "earning capacity" shall be
38 determined by the assessor with the advice of the advisory committee as
39 provided in RCW 84.34.145, and through a continuing internal study,

1 assisted by studies of the department of revenue. This net cash rental
2 figure as it applies to any farm and agricultural land may be
3 challenged before the same boards or authorities as would be the case
4 with regard to assessed values on general property.

5 (2) The term "rate of interest" shall mean the rate of interest
6 charged by the farm credit administration and other large financial
7 institutions regularly making loans secured by farm and agricultural
8 lands through mortgages or similar legal instruments, averaged over the
9 immediate past five years.

10 The "rate of interest" shall be determined annually by a rule
11 adopted by the department of revenue and such rule shall be published
12 in the state register not later than January 1 of each year for use in
13 that assessment year. The department of revenue determination may be
14 appealed to the state board of tax appeals within thirty days after the
15 date of publication by any owner of farm or agricultural land or the
16 assessor of any county containing farm and agricultural land.

17 (3) The "component for property taxes" shall be a figure obtained
18 by dividing the assessed value of all property in the county into the
19 property taxes levied within the county in the year preceding the
20 assessment and multiplying the quotient obtained by one hundred.

21 **Sec. 26.** RCW 84.40.030 and 1994 c 124 s 20 are each amended to
22 read as follows:

23 All property shall be valued at one hundred percent of its true and
24 fair value in money and assessed on the same basis unless specifically
25 provided otherwise by law.

26 Taxable leasehold estates shall be valued at such price as they
27 would bring at a fair, voluntary sale for cash without any deductions
28 for any indebtedness owed including rentals to be paid.

29 The true and fair value of real property for taxation purposes
30 (including property upon which there is a coal or other mine, or stone
31 or other quarry) shall be based upon the following criteria:

32 (1) Any sales of the property being appraised or similar properties
33 with respect to sales made within the past five years. The appraisal
34 shall be consistent with the comprehensive land use plan, development
35 regulations under chapter 36.70A RCW, zoning, and any other
36 governmental policies or practices in effect at the time of appraisal
37 that affect the use of property, as well as physical and environmental
38 influences. The appraisal shall also take into account: (a) In the

1 use of sales by real estate contract as similar sales, the extent, if
2 any, to which the stated selling price has been increased by reason of
3 the down payment, interest rate, or other financing terms; and (b) the
4 extent to which the sale of a similar property actually represents the
5 general effective market demand for property of such type, in the
6 geographical area in which such property is located. Sales involving
7 deed releases or similar seller-developer financing arrangements shall
8 not be used as sales of similar property.

9 (2) In addition to sales as defined in subsection (1),
10 consideration may be given to cost, cost less depreciation,
11 reconstruction cost less depreciation, or capitalization of income that
12 would be derived from prudent use of the property. In the case of
13 property of a complex nature, or being used under terms of a franchise
14 from a public agency, or operating as a public utility, or property not
15 having a record of sale within five years and not having a significant
16 number of sales of similar property in the general area, the provisions
17 of this subsection (2) shall be the dominant factors in valuation.
18 When provisions of this subsection (2) are relied upon for establishing
19 values the property owner shall be advised upon request of the factors
20 used in arriving at such value.

21 (3) In valuing any tract or parcel of real property, the value of
22 the land, exclusive of structures thereon shall be determined; also the
23 value of structures thereon, but the valuation shall not exceed the
24 value of the total property as it exists. In valuing agricultural
25 land, growing crops shall be excluded.

26 (4) In valuing any tract or parcel of real property designated and
27 zoned under a comprehensive plan adopted under chapter 36.70A RCW as
28 agricultural, forest, or open space land, the appraisal shall not be
29 based on similar sales of parcels that have been converted to
30 nonagricultural, nonforest, or nonopen-space uses within five years
31 after the sale.

32 **Sec. 27.** RCW 90.60.030 and 1995 c 347 s 603 are each amended to
33 read as follows:

34 The permit assistance center is established within the department.
35 The center shall:

36 (1) Publish and keep current one or more handbooks containing lists
37 and explanations of all permit laws. ~~((The center shall coordinate~~
38 ~~with the business assistance center in providing and maintaining this~~

1 ~~information to applicants and others.))~~ To the extent possible, the
2 handbook shall include relevant federal and tribal laws. A state
3 agency or local government shall provide a reasonable number of copies
4 of application forms, statutes, ordinances, rules, handbooks, and other
5 informational material requested by the center and shall otherwise
6 fully cooperate with the center. The center shall seek the cooperation
7 of relevant federal agencies and tribal governments;

8 (2) Establish, and make known, a point of contact for distribution
9 of the handbook and advice to the public as to its interpretation in
10 any given case;

11 (3) Work closely and cooperatively with the business license center
12 ~~((and the business assistance center))~~ in providing efficient and
13 nonduplicative service to the public;

14 (4) Seek the assignment of employees from the permit agencies
15 listed under RCW 90.60.020(6)(a) to serve on a rotating basis in
16 staffing the center; ~~((and))~~

17 (5) Collect and disseminate information to public and private
18 entities on federal, state, local, and tribal government programs that
19 rely on private professional expertise to assist governmental agencies
20 in project permit review; and

21 (6) Provide an annual report to the legislature on potential
22 conflicts and perceived inconsistencies among existing statutes. The
23 first report shall be submitted to the appropriate standing committees
24 of the house of representatives and senate by December 1, 1996.

25 **Sec. 28.** RCW 35.13.130 and 1990 c 33 s 566 are each amended to
26 read as follows:

27 A petition for annexation of an area contiguous to a city or town
28 may be made in writing addressed to and filed with the legislative body
29 of the municipality to which annexation is desired. Except where all
30 the property sought to be annexed is property of a school district, and
31 the school directors thereof file the petition for annexation as in RCW
32 28A.335.110 authorized, and except where the property to be annexed is
33 within an urban growth area designated under RCW 36.70A.110, the
34 petition must be signed by the owners of not less than seventy-five
35 percent in value according to the assessed valuation for general
36 taxation of the property for which annexation is petitioned. When the
37 property to be annexed is within an urban growth area designated under
38 RCW 36.70A.110, the petition must be signed by the owners of not less

1 than sixty percent in value according to the assessed valuation for
2 general taxation of the property for which annexation is petitioned:
3 PROVIDED, That in cities and towns with populations greater than one
4 hundred sixty thousand located east of the Cascade mountains, the owner
5 of tax exempt property may sign an annexation petition and have the tax
6 exempt property annexed into the city or town, but the value of the tax
7 exempt property shall not be used in calculating the sufficiency of the
8 required property owner signatures unless only tax exempt property is
9 proposed to be annexed into the city or town. The petition shall set
10 forth a description of the property according to government legal
11 subdivisions or legal plats which is in compliance with RCW 35.02.170,
12 and shall be accompanied by a plat which outlines the boundaries of the
13 property sought to be annexed. If the legislative body has required
14 the assumption of all or of any portion of city or town indebtedness by
15 the area annexed, and/or the adoption of a comprehensive plan for the
16 area to be annexed, these facts, together with a quotation of the
17 minute entry of such requirement or requirements shall be set forth in
18 the petition.

19 **Sec. 29.** RCW 35A.14.295 and 1967 ex.s. c 119 s 35A.14.295 are each
20 amended to read as follows:

21 ~~((When there is, within))~~ (1) The legislative body of a code city
22 may resolve to annex territory containing residential property owners
23 to the city if there is within the city, unincorporated territory:

24 (a) Containing less than one hundred acres and having at least
25 eighty percent of the boundaries of such area contiguous to the code
26 city(~~(, the legislative body may resolve to annex such territory to the~~
27 code city)); or

28 (b) Of any size and having at least eighty percent of the
29 boundaries of such area contiguous to the city if such area existed
30 before June 30, 1994, and is within the same county and within the same
31 urban growth area designated under RCW 36.70A.110, and the city was
32 planning under chapter 36.70A RCW as of June 30, 1994.

33 (2) The resolution shall describe the boundaries of the area to be
34 annexed, state the number of voters residing therein as nearly as may
35 be, and set a date for a public hearing on such resolution for
36 annexation. Notice of the hearing shall be given by publication of the
37 resolution at least once a week for two weeks prior to the date of the
38 hearing, in one or more newspapers of general circulation within the

1 code city and one or more newspapers of general circulation within the
2 area to be annexed.

3 (3) For purposes of subsection (1)(b) of this section, territory
4 bounded by a river, lake, or other body of water is considered
5 contiguous to a city that is also bounded by the same river, lake, or
6 other body of water.

7 NEW SECTION. Sec. 30. A new section is added to chapter 35.13 RCW
8 to read as follows:

9 (1) The legislative body of a city or town planning under chapter
10 36.70A RCW as of June 30, 1994, may resolve to annex territory to the
11 city or town if there is, within the city or town, unincorporated
12 territory containing residential property owners within the same county
13 and within the same urban growth area designated under RCW 36.70A.110
14 as the city or town:

15 (a) Containing less than one hundred acres and having at least
16 eighty percent of the boundaries of such area contiguous to the city or
17 town if such area existed before June 30, 1994; or

18 (b) Of any size and having at least eighty percent of the
19 boundaries of the area contiguous to the city if the area existed
20 before June 30, 1994.

21 (2) The resolution shall describe the boundaries of the area to be
22 annexed, state the number of voters residing in the area as nearly as
23 may be, and set a date for a public hearing on the resolution for
24 annexation. Notice of the hearing shall be given by publication of the
25 resolution at least once a week for two weeks before the date of the
26 hearing in one or more newspapers of general circulation within the
27 city or town and one or more newspapers of general circulation within
28 the area to be annexed.

29 (3) For purposes of subsection (1)(b) of this section, territory
30 bounded by a river, lake, or other body of water is considered
31 contiguous to a city that is also bounded by the same river, lake, or
32 other body of water.

33 **Sec. 31.** RCW 35.13.174 and 1973 1st ex.s. c 164 s 17 are each
34 amended to read as follows:

35 Upon receipt by the board of county commissioners of a
36 determination by a majority of the review board favoring annexation of
37 the proposed area that has been initiated by resolution pursuant to RCW

1 35.13.015 by the city or town legislative body, the board of county
2 commissioners, or the city or town legislative body for any city or
3 town within an urban growth area designated under RCW 36.70A.110, shall
4 fix a date on which an annexation election shall be held, which date
5 will be not less than thirty days nor more than sixty days thereafter.

6 **Sec. 32.** RCW 36.93.170 and 1989 c 84 s 5 are each amended to read
7 as follows:

8 In reaching a decision on a proposal or an alternative, the board
9 shall consider the factors affecting such proposal, which shall
10 include, but not be limited to the following:

11 (1) Population and territory; population density; land area and
12 land uses; comprehensive plans and zoning, as adopted under chapter
13 35.63, 35A.63, or 36.70 RCW; comprehensive plans and development
14 regulations adopted under chapter 36.70A RCW; applicable service
15 agreements entered into under chapter 36.115 or 39.34 RCW; applicable
16 interlocal annexation agreements between a county and its cities; per
17 capita assessed valuation; topography, natural boundaries and drainage
18 basins, proximity to other populated areas; the existence and
19 preservation of prime agricultural soils and productive agricultural
20 uses; the likelihood of significant growth in the area and in adjacent
21 incorporated and unincorporated areas during the next ten years;
22 location and most desirable future location of community facilities;

23 (2) Municipal services; need for municipal services; effect of
24 ordinances, governmental codes, regulations and resolutions on existing
25 uses; present cost and adequacy of governmental services and controls
26 in area; prospects of governmental services from other sources;
27 probable future needs for such services and controls; probable effect
28 of proposal or alternative on cost and adequacy of services and
29 controls in area and adjacent area; the effect on the finances, debt
30 structure, and contractual obligations and rights of all affected
31 governmental units; and

32 (3) The effect of the proposal or alternative on adjacent areas, on
33 mutual economic and social interests, and on the local governmental
34 structure of the county.

35 The provisions of chapter 43.21C RCW, State Environmental Policy,
36 shall not apply to incorporation proceedings covered by chapter 35.02
37 RCW.

1 **Sec. 33.** RCW 84.14.010 and 1995 c 375 s 3 are each amended to read
2 as follows:

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

5 (1) "City" means either (a) a city or town with a population of at
6 least one hundred ((fifty)) thousand or (b) the largest city or town,
7 if there is no city or town with a population of at least one hundred
8 thousand, located in a county planning under the growth management act.

9 (2) "Governing authority" means the local legislative authority of
10 a city having jurisdiction over the property for which an exemption may
11 be applied for under this chapter.

12 (3) "Growth management act" means chapter 36.70A RCW.

13 (4) "Multiple-unit housing" means a building having four or more
14 dwelling units not designed or used as transient accommodations and not
15 including hotels and motels. Multifamily units may result from new
16 construction or rehabilitated or conversion of vacant, underutilized,
17 or substandard buildings to multifamily housing.

18 (5) "Owner" means the property owner of record.

19 (6) "Permanent residential occupancy" means multiunit housing that
20 provides either rental or owner occupancy on a nontransient basis.
21 This includes owner-occupied or rental accommodation that is leased for
22 a period of at least one month. This excludes hotels and motels that
23 predominately offer rental accommodation on a daily or weekly basis.

24 (7) "Rehabilitation improvements" means modifications to existing
25 structures, that are vacant for twelve months or longer, that are made
26 to achieve a condition of substantial compliance with existing building
27 codes or modification to existing occupied structures which increase
28 the number of multifamily housing units.

29 (8) "Residential targeted area" means an area within an urban
30 center that has been designated by the governing authority as a
31 residential targeted area in accordance with this chapter.

32 (9) "Substantial compliance" means compliance with local building
33 or housing code requirements that are typically required for
34 rehabilitation as opposed to new construction.

35 (10) "Urban center" means a compact identifiable district where
36 urban residents may obtain a variety of products and services. An
37 urban center must contain:

1 (a) Several existing or previous, or both, business establishments
2 that may include but are not limited to shops, offices, banks,
3 restaurants, governmental agencies;

4 (b) Adequate public facilities including streets, sidewalks,
5 lighting, transit, domestic water, and sanitary sewer systems; and

6 (c) A mixture of uses and activities that may include housing,
7 recreation, and cultural activities in association with either
8 commercial or office, or both, use.

9 NEW SECTION. **Sec. 34.** Except as otherwise specifically provided
10 in section 18 of this act, sections 1 through 17, chapter . . ., Laws
11 of 1997 (sections 1 through 17 of this act) are prospective in effect
12 and shall not affect the validity of actions taken or decisions made
13 before the effective date of this section."

14 Correct the title.

--- END ---