

**WAC 365-198-040 Terms and conditions for cities and towns. (1)**

Cities and towns that choose to use this chapter as an alternative to an interlocal agreement must adopt the following terms and conditions by reference to this chapter in an ordinance or resolution:

(a) The city or town has adopted policies or regulations for receiving areas per attached ordinance(s) or resolution(s);

(b) Upon good faith consultation with the transferring county, and the county from within which the city is located, the city or town has designated receiving areas in the city or town within which transferable development rights or development rights credits may be used per attached ordinance(s) or resolution(s);

(c) Upon good faith consultation with the transferring county, and the county from within which the city is located, the city or town has adopted receiving area ratio or ratios for the transferable development rights or development rights credits to be received per attached ordinance(s) or resolution(s);

(d) The city or town, in consultation with the county from within which the city or town is located and the transferring county, shall develop a process to notify the transferring county when it has approved the use of transferable development rights or development rights credits for a specific project in the designated receiving area to allow the transferring county to track and extinguish credits as they are used. For purposes of this chapter, a city's or town's approval under this subsection occurs when the city or town planning department has issued the first building permit for a project using development rights credits. Prior to development approval, the city or town shall consult with the transferring county to ensure the development rights credit or credits proposed for development use in the designated receiving area are valid. The county shall respond to the city or town as to whether the development rights credits are valid within a reasonable time; and

(e) The city or town shall work with the transferring county and the department to identify performance measures consistent with RCW 43.362.070 to report to the transferring county and the department.

(2) Optional terms that a city or town may adopt verbatim or by reference are:

(a) Upon good faith consultation with the transferring county, the city or town shall identify the sending areas from which the city or county agrees to accept transferable development rights.

(b) The city or town has estimated the capacity for development with transferable development rights (or development rights credits) from the transferring county per attached ordinance(s) or resolution(s).

(c) The city or town shall establish and operate a transfer of development rights bank to purchase, sell, and hold development rights.

[Statutory Authority: RCW 43.362.050. WSR 10-18-066, § 365-198-040, filed 8/30/10, effective 9/30/10.]