

HOUSING / LAND USE BILLS FOR LOCAL ASSOCIATIONS

INFORMATION FOR REALTORS® AND LOCAL REALTORS® ASSOCIATIONS IMPLEMENTATION OF NEW GROWTH MANAGEMENT, HOUSING, AND LAND USE LEGISLATION

The 2023 Washington Legislative Session is being referred to as “The Year of Housing.” The Legislature passed a record number of housing supply and land use bills intended to increase housing supply and reduce the time, cost, and complexity of the local permitting process.

Now, housing supply efforts shift back to the local government level to implement the new 2023 legislation, legislation from 2021 modifying the requirements of the Housing Element under the Growth Management Act, and adopt once-per-decade major GMA Comprehensive Plan updates.

The implementation of new laws and the GMA Comprehensive Plan update cycle between 2024 and 2027 is the most significant opportunity for increasing housing supply at the local level since the adoption of GMA over 30 year ago.

While the Legislature took the extraordinary step of imposing state requirements on what types of housing cities and counties must allow or cannot prohibit, **the legislation must be implemented by city and county councils at the local level.**

For REALTORS® and Local REALTORS® Associations – successful local implementation of new state legislation and GMA Comprehensive Plan updates will require local involvement by REALTORS® and our homeownership and housing supply allies to advocate for increased housing supply at the local level.

For the new Middle Housing and ADU legislation, the laws include an implementation deadline of 6 months after the city or county’s next required GMA Comprehensive Plan update. This means that cities and counties are subject to the following local planning deadlines under the GMA and legislation passed in 2022 and 2023:

Counties and Cities Within Those Counties	GMA Comprehensive Plan and Housing Element Deadline	Middle Housing and ADU Deadline
King, Pierce, Snohomish, Kitsap	December 31, 2024	June 30, 2025
Clallam, Clark, Island, Jefferson, Lewis, Mason, San Juan, Skagit, Thurston, Whatcom	June 30, 2025	December 31, 2025
Benton, Chelan, Cowlitz, Douglas, Franklin, Kittitas, Skamania, Spokane, Walla Walla, Yakima	June 30, 2026	December 31, 2026
Adams, Asotin, Columbia, Ferry, Garfield, Grant, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Whitman	June 30, 2027	December 31, 2028

For assistance with local programs to implement housing legislation and funding support, please contact:

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HB 1110 – ALLOWING MIDDLE HOUSING IN CITIES

(Applies in Cities Within Counties Planning Under GMA as Described Below)

1. Middle Housing allowed in cities over 75,000:

- 4 units per lot allowed in all residential zones.
- 6 units per lot allowed within 1/4 mile of major transit stop.
- 6 units per lot allowed in all residential zones if 2 units are designated as affordable.

2. Middle Housing allowed in cities between 25,000 and 75,000:

- 2 units per lot allowed in all residential zones.
- 4 units per lot allowed within 1/4 mile of major transit stop.
- 4 units per lot allowed in all residential zones if 1 unit is designated as affordable.

3. Middle Housing allowed in cities under 25,000 with Urban Growth Area contiguous with the UGA of the largest city in counties over 275,000 (King, Pierce, Snohomish, Kitsap, Thurston, Spokane, Clark)

- 2 units per lot allowed in all residential zones.

4. Middle Housing Types Allowed:

- Cities must allow at least six of nine specified middle housing types to meet the density requirements: duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing.
- A city is not required to allow ADUs or middle housing types beyond the density requirements.

5. Implementation Deadline for Cities:

- Within 6 months of next required GMA Comprehensive Plan Update.

6. Key Definitions:

- “Major transit stop” defined to include light rail, commuter rail, and bus rapid transit.
- “Affordable housing” defined as affordable to 60% of area median income (AMI) for rental, and 80% of AMI for ownership.

7. Cities may elect to implement alternative compliance path with approval of Department of Commerce so that 75% of lots must allow the densities above, with limitations:

- The excluded 25 percent must include all environmentally critical areas, and all areas delaying the bill’s implementation based on displacement risk or lack of infrastructure.
- The excluded 25 percent may not include any areas that had historic exclusionary covenants, or areas where retention of existing zoning would exacerbate racially disparate impacts.

8. Limitations on Authority of Cities to Require Parking at New Residential Development

- Cities prohibited from mandating off-street parking for new residential development within 1/2 mile of major transit stop.
- Limits parking requirement to one space per unit on lots < 6,000 sq.ft.

9. Effect on CC&R/HOA restrictions:

- Existing CC&R/HOA restrictions on density, number of units, lot size etc. still apply, but new restrictions cannot be established that conflict with the bill.



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HB 1337 – ALLOWING ACCESSORY DWELLING UNITS

(Applies in All Cities Within GMA Planning Counties, Inside Urban Growth Area)

1. Number of ADUs in Towns, Cities, and County Urban Growth Areas – all UGAs:

- 2 ADUs with the principal unit on all lots meeting minimum lot sizes in zoning districts allowing single-family homes as follows:
 - 1 attached ADU and 1 detached ADU;
 - 2 attached ADUs; or
 - 2 detached ADUs as either 1 or 2 detached ADUs

2. ADUS must be allowed including as follows:

- Prohibits impact fees greater than 50% of those imposed on principal unit;
- Prohibits requiring the lot owner to reside in the principal unit or an ADU unit;
- Must be a minimum of 1,000 square feet;
- Minimum of 24 feet high or the same height of the principal unit if less than 24 feet;
- Prohibits imposing development requirements more restrictive than for principal units;

3. Items not allowed as a permit condition:

- Requiring public street improvements;
- Requiring off-street parking for an ADU within ½ mile walking distance of a major transit stop;
- More than 1 off-street parking space per ADU unit on lots smaller than 6,000 sq.ft. or more than 2 off-street parking spaces per ADU unit on lots greater than 6,000 sq.ft.

4. State Environmental Policy Act Compliance

- Adopted ordinances, development regulations, and nonproject actions implementing and consistent with the act are not subject to administrative or judicial appeals.

5. Implementation Deadline for Cities and Counties:

- Within 6 months after the next required GMA Comprehensive Plan Update.

6. Preemption of Existing ADU Regulations:

- HB 1337 requirements and restrictions preempt and invalidate conflicting local ADU development regulations.

7. Effect on CC&R/HOA Restrictions:

- Existing CC&R HOA restrictions on density, number of units, lot size, etc., still apply, but new restrictions are prohibited that conflict with the bill unless necessary to protect health and safety and ground and surface waters from on-site wastewater.



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SB 5412 – SEPA EXEMPTION FOR RESIDENTIAL DEVELOPMENT

(Applies in All GMA Cities and Counties)

SB 5412 provides an exemption from SEPA review for new residential development projects inside Urban Growth Areas, so long as SEPA review occurred previously at the GMA plan or sub-area plan stage for similar development intensity. Local governments will be required to modify their local SEPA ordinances to comply with this new exemption. There are additional provisions regarding transportation impacts on state highways, public notice requirements, and implementation within the City of Seattle.

SB 5258 – CONDOMINIUM & TOWNHOUSE CONSTRUCTION

(Applies in All GMA Cities and Counties)

While the primary purpose of SB 5258 was to modify the “right to cure” process so that claimed condominium construction defects can be repaired rather than litigated, SB 5258 also includes regulatory provisions that must be implemented at the local level. First, SB 5258 requires that the impact fee schedule adopted by local governments include consideration of the relative impacts of smaller condominium and townhouse units, compared to larger single-family dwellings.

Second, SB 5258 requires all local governments to modify their subdivision regulations to allow “Unit Lot Subdivisions.” Unit Lot Subdivisions enable a property owner to subdivide lots parcels into small fee simple lots for townhouse construction. This process allows for townhouse construction without the cost and complexity of certain state condominium laws.

HB 1293 – REFORMING LOCAL DESIGN REVIEW

(Applies in All GMA Cities & Counties)

Some local governments have a “design review” process through which development proposals undergo review of various aesthetic design considerations (texture, color, relation to other buildings, etc.) HB 1293 requires that if such local review occurs, it must be based on objective development standards, not subjective considerations. In addition, the local design review process must be integrated with the timelines for other local permit review processes.

SB 5290 – SUBDIVISION AND BUILDING PERMIT PROCESS REFORMS & REPORTING

(Applies in All GMA Cities and Counties)

SB 5290 makes several changes to laws governing local review of development proposals. The law requires local governments to provide a written determination to applicants within 20 days of submission as to whether an application is complete or if not, what additional information is necessary for a complete application. An application will be deemed procedurally complete on the 29th day after receipt if the local government does not issue a determination of incompleteness.

Local government timelines for permit decisions should be issued between 45 and 120 days, based on the type of permit decision. Project permit applications for interior alterations must be exempted from site plan review if the project does not create additional sleeping quarters, or increase the total square footage or valuation of the structure, which would all require upgraded fire access or fire suppression systems. Any interior alteration may not modify the existing site layout.

SB 5290 also requires an annual building permit performance report on time periods of local permit decisions preliminary and final subdivisions, binding site plans, building permits, and other land use decisions. In addition, other parts of SB 5290 will be developed through a Department of Commerce process including grants to local governments to improve local permitting systems, including use of on-line permitting systems and improved reporting and accountability.

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HB 1220 – GMA HOUSING ELEMENT HOUSING SUPPLY AND AFFORDABILITY REQUIREMENTS

(Applies in All GMA Planning Cities and Counties)

1. Housing Goal Updated:

- Goal language is more specific. Modifies the goal language from “encourage” to “plan for and accommodate” housing “affordable” to all economic segments of the population.

2. Updated Housing Element Requirements:

- Provide housing for projected existing and future needs of all economic segments of the community population;
- Provide a variety of housing types to meet the needs of existing and future residents;
- Identify local policies and regulations resulting in racially disparate impacts, displacement, and exclusion in housing and replacing such policies and regulations;
- Consider housing locations in relation to employment locations;
- Consider the role of accessory dwelling units in meeting housing needs;
- Identify areas of higher risk from displacement resulting from changes to zoning regulations and capital investments;
- Identify antidisplacement policies; and
- Buildable lands communities must also show how local jurisdictional housing goals are linked to county goals to ensure the housing element goals are met.

3. Transitional, Permanent Supportive Housing and Indoor Emergency Shelters:

- Bill provides specific requirements for providing transitional, permanent supportive housing and indoor emergency shelters. Cities may not prohibit these housing types.

4. Definitions:

- Adds the following definitions to the GMA: emergency housing; emergency shelter; moderate-income household; affordable housing; extremely low-income household; low-income household; permanent housing; and very low-income household.

HB 1181 – NEW CLIMATE CHANGE GOAL & ELEMENT IN GROWTH MANAGEMENT ACT

1. Modifies and Adds New Goals to GMA:

- Transportation:** Modifies transportation goal to encourage efficient multimodal transportation systems to greenhouse gas (GHG) emissions and per capita vehicle miles traveled (VMT).
- Open Space and Recreation:** Modifies goal to include retaining green space and enhancing fish and wildlife habitat.
- Citizen Participation and Coordination:** Modifies the goal to include participation of vulnerable populations and overburdened communities in the planning process.
- Climate Change and Resiliency:** Adds new goal addressing the effects of climate change; reducing greenhouse gas emissions and vehicle miles traveled; resiliency to climate impacts and natural hazards; protection and enhance environmental, economic, and human health and safety; and advance environmental justice.
- Shorelines of the State:** Requires the goals and policies of the Shoreline Management Act be considered an element of comprehensive plans per the intent of 2003 legislation.

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2. Modifies and Adds to Required Elements:

- a) **Land Use Element:** Requires inclusion of green special consideration to achieve environmental justice in its goals and policies; reduce per capita vehicle miles traveled in the jurisdiction; and reduce and mitigate the risk to lives and property posed by wildfires.
- b) **Capital Element:** Work with public entities owning capital facilities for needed information required for the element and include green infrastructure;
- c) **Utilities Elements:** Work with public entities owning capital facilities for needed information required for the element;
- d) **Transportation Element:** Adds new facility type, “active transportation facilities,” which includes trails, sidewalks, bike land, and shared-use paths; requires multimodal level of service standards, and requires balancing safety and convenience for all users, and must include an Americans with Disabilities Act transition plan.
- e) **Park and Recreation Element:** Adds a requirement to evaluate tree canopy coverage.
- f) **Climate Change and Resiliency Element:** Adds a new element designed to reduce greenhouse gases and increase resiliency to impacts of climate change. Creates two mandatory subelements as follows :
 - 1) **Green House Gas (GHG) Subelement:**
 - i) **Requires actions to:**
 - Reduce GHG from transportation and land use systems;
 - Reduction in per capita VMT;
 - Prioritize maximization of reduced air pollution and environmental justice for overburdened communities; and
 - Jurisdictions may not restrict population growth or limit population to achieve GHG reductions.
 - ii) **GHG Subelement Adoption Process:**
 - Counties and cities have the option of submitting the GHG Subelement to Commerce for approval and it would be effective once Commerce approves it; or
 - For counties and cities not seeking Commerce approval, the subelement becomes effective when the comprehensive plan is adopted by the county or city.
 - iii) **SEPA:** Nonproject actions for the GHG emissions reduction subelement or measures adopted by Commerce for comprehensive plans in the 2024 cycle are exempt from administrative or juridical appeal under SEPA.
 - iv) **Growth management Hearings Board:** Commerce’s decision on a GHG subelement may be appealed to the Board.
 - 2) **Resiliency Subelement:**
 - i) Identify actions to enhance resiliency to and reduce adverse impacts of climate change for communities and ecological systems, the impact of sea level rise and increased storm severity.
 - ii) Address natural hazards or adopt a natural hazard mitigation plan consistent with requirements of the bill; and
 - iii) If a jurisdiction adopts by reference a Federal Emergency Management Agency natural hazard mitigation plan, then that plan needs to be consistent with the requirements of the bill.



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3) Jurisdictions Required to Implement the subelements:

- i) The GHG subelement applies to the following counties and their cities with a population greater than 6,000: Benton, Clark, Franklin, King, Kitsap, Pierce, Skagit, Snohomish, Spokane, Thurston, and Whatcom.
- ii) The resiliency subelement is mandatory for all counties and their cities that are fully planning or choose to fully plan.
- iii) Once a county implements the GHG emissions reduction subelement and the resiliency element, they must continue to implement both subelements even if the county no longer meets one of the criteria.

3) SEPA Appeals:

- A county or city's adoption of nonproject actions to implement the guidelines published by Commerce are exempt from SEPA appeals.

4) Shoreline Master Program Guidelines:

- Ecology must update the Shoreline Master Program Guidelines to address the impact of sea level rise and increased storm severity on people, property, shoreline natural resources, and the environment.

5) Water System Plans:

- A water system plan (WSP) initiated after June 30, 2024, requires Group A community public water systems serving 1,000 or more connections to include a climate resilience element at the time of Dept. of Health approval.



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