

Multiple Agency Fiscal Note Summary

Bill Number: 5456 SB	Title: Minimum parking requirements
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Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

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Individual State Agency Fiscal Note

Bill Number: 5456 SB	Title: Minimum parking requirements	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Karen Epps	Phone: 360-786-7424	Date: 02/07/2023
Agency Preparation: Buck Lucas	Phone: 360-725-3180	Date: 02/08/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/08/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/09/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1 amends RCW 36.70A.620 relating to parking requirements in station areas, and add new prohibitions on parking minimums for projects based on proximity to new transit service levels.

Section 2 adds a new section to RCW 47.80 establishes the new transit service levels in chapter RCW 47.80 (Regional Transportation Planning Organizations).

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

There is no impact to the department. Guidance updates based on the statutory changes in the proposed legislation will be part of the normal operating procedures within the Local Government Division.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5456 SB

Title: Minimum parking requirements

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Indeterminate and significant expenditure increase
- Counties: Indeterminate and significant expenditure increase
- Special Districts:
- Specific jurisdictions only: GMA-planning cities and counties
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: Costs of required changes to current land use processes, ordinance costs, timeline required for ordinance changes

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Angie Hong	Phone: 360-725-5041	Date: 02/08/2023
Leg. Committee Contact: Karen Epps	Phone: 360-786-7424	Date: 02/07/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/08/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/09/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

Section 1 revised 36.70A.620 [GMA Planning Cities Minimum Residential Parking Requirements]. Current law requires minimum parking space capacity for certain residential housing units to be 0.75 spaces per unit, and 1 space per bedroom with exceptions.

Section 1(1)-(2) of this bill will restrict counties and cities planning under GMA from imposing minimum parking space capacity requirements for certain new residential or commercial developments involving distances from transit stops and the level of transit service provided at that stop, unless the GMA planning county or city makes written findings within 30 days of the receipt of a completed application that not imposing or enforcing minimum parking requirements on the development would have a substantially negative impact on existing, on-site, residential, or commercial parking within one-half mile of the development project.

Section 1(3) describes two exceptions to the rule described in subsections 1-2, involving: dedication of 20 percent of the total units to certain demographics, or the housing development contains fewer than 20 units.

Section 2 adds a new section to RCW 47.80 [Regional transportation planning organizations] to define: "Level 1 transit service," "Level 2 transit service," "Level 3 transit service," "Level 4 transit service," "Level 5 transit service," and "Level 6 transit service."

Section 3 adds a new section to RCW 43.21C [State environmental policy] to specify: "if a project permit application, as defined in RCW 36.70B.020, does not provide parking in compliance with RCW 36.70A.620(1), such fact may not be treated as a basis for the issuance of a determination of significance under this chapter."

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This bill would significantly and indeterminately increase local government expenditures.

CITY EXAMPLE OF COST TO ALTER PERMITTING PROCESS

According to the City of Bellevue, the statement in RCW 36.70A.620(2) that a city could only impose minimum parking requirements in the circumstances described by the bill if the city "makes written findings within 30 days of the receipt of a completed application that not imposing or enforcing minimum parking requirements on the development would have a substantially negative impact, supported by a preponderance of the evidence in the record, on existing on-site residential or commercial parking within one-half mile of the development project" is costly.

This new land use process is inconsistent with the City of Bellevue's current land use process because the city does not issue substantive, written findings on a development application within 30 days of receipt of a complete application. To do this, it would require the city to change its administrative land use review process to make this evaluation and issue written findings at the very beginning of the land use process. It is unknown how this legislation will impact other projects in the city's review pipeline. These costs are difficult to characterize and are expected to result in a significant and indeterminate increase in expenditures to GMA-planning cities and counties.

COSTS TO CHANGE CURRENT REGULATIONS

This bill would require amendments to fully planning cities and counties development regulations to comply with RCW 36.70A.620. The process to amend development regulations under a mandate is lengthy and requires many staff hours from multiple disciplines (attorney, planner, clerk, and leadership).

According to the Washington State Association of Counties (WSAC), it will take resources and time to change regulations

to eliminate all parking minimums; this will require public notice and hearings with the planning commission as well as with the legislative body, which costs are estimated to fall between \$10,000-\$20,000 per jurisdiction (average \$15,000 $(\$10,000 + \$20,000)/2$), depending on the size of the jurisdiction. These increased costs are expected to be significant and are indeterminate.

Fully planning cities would have costs to amend development regulations for new parking requirements near transit. The Local Government Fiscal Note (LGFN) Program Unit Cost Model estimates the typical cost per city to adopt an ordinance with a hearing of the same complexity from \$2,958 for a simple ordinance to \$9,492 for a complex ordinance. These costs include costs for draft ordinances, advisory commission meetings and recommendations, finalized ordinances, publication of ordinances, and general public information. LGFN assumes that these ordinances are complex, with a hearing of the same complexity. Note: These cost estimates are for only one meeting or staff report, more complex ordinances would likely require more meetings and potentially more staff reports. There would be further costs associated with enforcing or executing the ordinance.

PREDICTED ORDINANCE COSTS:

COUNTIES (28 fully planning counties) x \$15,000 = \$420,000

CITIES (218 fully planning cities) x \$9,492 = \$2,069,256

Estimated total development regulations ordinances: \$420,000 + \$2,069,256 = \$2,489,256

The effective date of this bill is 90 days after the act is signed into law, however, these ordinances may not be required to be incorporated into a fully planning jurisdiction's development regulations until the submission deadline of their next periodic comprehensive update, specified in RCW 36.70A.130. The specific implementation costs and timeline of the new parking requirements established by this act cannot be known in advance.

Some jurisdictions may elect not to bring their codes into conformance with the requirements of this legislation prior to the applicable deadline. It is unclear what the deadline is and it is unclear if these jurisdictions would incur any legal costs based upon codes that do not conform to the required code measures. Such costs cannot be anticipated in advance and are indeterminate.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This bill will not impact local government revenues.

SOURCES

Association of Washington Cities

Washington State Association of Counties

City of Bellevue

Local Government Fiscal Note Program Unit Cost Model (2023)

Local Government Fiscal Note Program, FN HB 1337 (2023)

Local Government Fiscal Note Program, FN SB 5466 (2023)