

Multiple Agency Fiscal Note Summary

Bill Number: 1133 HB	Title: Detached ADUs
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

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
Environmental and Land Use Hearings Office	.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	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Environmental and Land Use Hearings Office	.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	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final 2/13/2023
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Individual State Agency Fiscal Note

Bill Number: 1133 HB	Title: Detached ADUs	Agency: 468-Environmental and Land Use Hearings Office
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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: Audrey Vasek	Phone: 360-786-7383	Date: 01/20/2023
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 02/13/2023
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 02/13/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/13/2023

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. A new section is added to 36.70A that permits counties to allow accessory dwelling units outside of Urban Growth Areas (UGA's) with specific limitations listed:

- a. No more than one detached accessory dwelling units (ADU) per parcel.
- b. Subject to water supply regulations
- c. Document septic capacity
- d. Restriction on floor area, not larger than original unit and not to exceed 1296 sq ft.
- e. Similar exterior unless ADU is a mobile or manufactured house.
- f. Must utilize same driveway.

Section 1 does not:

- a. Affect or modify the validity of any county ordinance authorizing ADUs adopted prior to the effective date of this section.
- b. Exclude other means of authorizing ADUs in urban or rural areas if consistent with Growth Management Act (GMA).
- c. Exclude other innovative techniques under 36.70A.70(5)(b), .090, or .177.

No fiscal impact to the Growth Management Hearings Board anticipated.

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.

None

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.

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

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: 1133 HB

Title: Detached ADUs

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

Legislation Impacts:

- Cities:
 Counties:
 Special Districts:
 Specific jurisdictions only:
 Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
 Expenditures represent one-time costs:
 Legislation provides local option: Counties could adopt detached accessory dwelling unit development regulations that allow for development outside of its urban growth areas.
 Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Jordan Laramie	Phone: 360-725-5044	Date: 01/25/2023
Leg. Committee Contact: Audrey Vasek	Phone: 360-786-7383	Date: 01/20/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/25/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/25/2023

Part IV: Analysis

A. SUMMARY OF BILL

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

This legislation would establish limitations on detached accessory dwelling units outside urban growth areas.

The act authorizes counties planning under the Growth Management Act to allow detached accessory dwelling units outside of urban growth areas so long as certain limitations in development regulations are followed. Detached accessory dwelling units would be required to meet the development regulations of Sec. 1.

Sec. 1 would be a new section added to 36.70A RCW

(1) Counties may allow detached accessory dwelling units outside of urban growth areas if it meets the following development regulations:

(a) Only one detached accessory dwelling unit per parcel.

(b) The unit meets the water supply requirements 19.27.097 RCW

(c) An applicant must submit documentation that the unit has an existing sewage or septic system capable of handling additional demand of the unit.

(d) Floor area cannot be greater than 1,296 square feet but may not exceed the floor that could be authorized by the county as an expansion of the primary dwelling to create an attached accessory dwelling unit.

(e) The detached accessory dwelling unit must be constructed such that certain design standards must approximate to the primary dwelling, except if the detached accessory dwelling unit is a mobile or manufactured home.

(f) The detached accessory dwelling unit must use the same driveway as the primary dwelling.

(2) Subsection 1 of this section is cumulative to any other county ordinance authorizing accessory dwelling units adopted prior to the effective date of this act.

Sec. 2 would amend 36.70A.696 RCW

Amends this statute such that the definitions in this section apply to Sec. 1 of this act.

The bill takes effect 90 days after adjournment of the session in which the bill is passed.

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 legislation would be a local option for counties planning under the Growth Management Act that choose to adopt new development regulations for detached accessory dwelling units. This act would have no impact for counties that choose not to take action.

For counties that take the local option, there would be costs to incorporate these development regulations into local code. The number of counties planning under the Growth Management Act that would adopt this legislation is currently unknown, as is the timing of when the ordinance adoption expenses would be incurred.

POTENTIAL COSTS FOR COUNTIES CHOOSING THE LOCAL OPTION:

A recent survey of county planning departments, prepared by the Washington State Association of Counties, and follow-up review by the Local Government Fiscal Note program indicate that 33 counties currently allow for accessory dwelling units within their local code. Seven of these counties allow for attached and/or detached accessory dwelling units in rural areas.

If the requirements of this bill are similar to other recent bills authorizing new accessory dwelling unit development regulations, such as HB 1660 (2022) these ordinance may be moderately complex to complex and have hearings of the same complexity. The Local Government Fiscal Program Unit Cost Model estimates that the typical cost per county to adopt a moderately complex to complex ordinance with a hearing of the same complexity would range from \$1,976 to

\$9,400 per county (average: \$5,688 $((\$1,976 + \$9,400)/2)$) These costs include costs for draft ordinances, advisory commission meeting and recommendation, finalized ordinance, publication of ordinance, and general public information.

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.

Illustrative Example of Potential Costs:

For illustrative purposes, LGFN assumes half of all counties that allow for accessory dwelling units, including all of the counties that allow for attached and/or detached accessory dwelling units in rural areas, would amend existing code. Using this assumption, the following costs may be estimated, however the timing of the implementation of these adopted ordinances cannot be known in advance:

16 counties x \$5,688 ordinance adoption costs with a hearing of the same complexity = \$91,008

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 legislation is not anticipated to impact local government revenues.

SOURCES:

- Local Government Fiscal Note Program, FN HB 1660 (2022)
- Local Government Fiscal Note Program, Unit Cost Model (2023)
- Washington State Association of Counties