Sponsored by: Councilmembers Roger Bush, Timothy M. Farrell, Stan Flemming, Joyce McDonald,

Dick Muri, Dan Roach, and Rick Talbert

Requested by: County Council

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ORDINANCE NO. 2011-18

An Ordinance of the Pierce County Council Temporarily Allowing Extensions of the Expiration Date of Certain Development Related Applications, Permits and Approvals in Response to the Economic Downturn in the Construction Industry; Adopting Procedural Requirements for Such Extensions: Adopting Interim Amendments to Titles 18 and 18F of the Pierce County Code (PCC), Related to Granting of Extensions; Adopting a New Section 2.05.135 PCC. Establishing Fees for Extensions; Establishing a Sunset Date: Setting an Effective Date; and Adopting Findings of Fact.

Whereas, the Pierce County Economic Stimulus Report dated September 15. 2008, recommends that extensions to the expiration date of preliminary plats be considered by the Council; and

Whereas, the severe downturn in the local, regional, and national housing markets, reduced demand for new housing, tightened credit market, and difficulty obtaining the financing necessary to complete a project, have resulted in a situation where developers of new housing and subdivisions are unable to finalize development proposals in a timely manner; and

Whereas, in order to prevent the expiration of development applications and approvals during the economic downturn, extensions of the expiration dates of certain development related applications and approvals are needed; and

Whereas, the expiration of a development application or approval can have significant financial impacts to a developer and also adversely affects the financial institutions and other investors which have provided financing in support of a development proposal; and

Whereas, the national scale of the housing market downturn and tightening credit markets have severely affected many builders and developers in Pierce County and many of these builders and developers are now struggling financially; and

Whereas, the construction industry is a major employer in Pierce County, accounting for approximately 8.5% of all jobs in Pierce County; and

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Whereas, construction related activity is a significant tax generator and provides much needed revenue to local governments to finance public safety and other needed public services; and

Whereas, Section 18.60.030 of the Pierce County Code provides for extensions of development permit applications including, but not limited to applications for formal subdivision, short subdivision, large lot division, binding site plan, building permit, shoreline substantial development permit, use permit, and variances, but limits the number and duration of such extensions; and

Whereas, Pierce County Code provide for extensions of development permit approvals for certain development approval types, but limits the number and duration of such extensions; and

Whereas, Title 18 PCC sets forth Pierce County's vesting procedures including the duration of vested rights; and

Whereas, providing for additional extensions of certain development related applications and approvals, including the extension of the vested rights associated with these applications and approvals, may aid the local economy by helping the construction industry to weather the economic downturn while preserving the investments made in the development permitting process; and

Whereas, maintaining the viability of development applications and approvals will also help to ensure that the development industry is in a position to respond more quickly once favorable economic conditions return; and

Whereas, the Council previously authorized limited time extensions through Ordinance No. 2008-115s which sunset on July 1, 2009, and Ordinance No. 2009-67s which sunset on December 31, 2009; and

Whereas, Senate Bill 6544 approved by the Washington State Legislature in 2010 amended Chapter 58.17 Revised Code of Washington, to temporarily provide for a seven year approval time period for final plats; and

Whereas, the Council desires to extend the period in which time extensions can be sought in response to continued economic challenges; and

Whereas, the Council finds that it is in the best interest of citizens of Pierce County and the local economy to temporarily modify the procedures for extending development related applications and approvals; and

Whereas, the local police power delegated to local governments by Art. XI, Section 11 of the Washington Constitution authorizes interim regulatory controls as have Washington's courts interpreting various sections of the Revised Code of

Washington; See Matson v. Clark County, 79 Wn. App. 641, 904 P.2d 317 (1995); Biggers v. Bainbridge Island, 162 Wn.2d 683; 169 P.3d 14; 2007; and Weden v. San Juan County, 135 Wn.2d 678, 958 P.2d 273 (1998); and

Whereas, the proposed interim regulations are categorically exempt from environmental review under the State Environmental Policy Act (SEPA) pursuant to WAC 197-11-800(20); and

Whereas, the Council finds that the severe housing market downturn coupled with the tightening of credit markets has significantly impacted the construction industry and poses a threat to the local economy and the general public health, safety, and welfare due to reductions in construction related taxes and revenues and loss of construction related jobs. The Council finds that these conditions require actions to be taken to allow for the extension of certain existing development related applications and approvals that would likely expire due to the inability to obtain financing during the economic downturn. The Council finds that this action will benefit the local economy by helping to protect the construction industry from the significant financial losses associated with expired permit applications and permit approvals, including the loss of real estate entitlements, and will better enable the local construction industry to recover as the economy improves; Now Therefore,

BE IT ORDAINED by the Council of Pierce County:

Section 1. PCC18.60.030 C. is hereby amended with the sunset date as provided in Section 10 by adding exceptions as follows:

- C. The application shall be deemed null and void if the applicant fails to submit additional information within 180 days of the Department's or Hearing Examiner's request, unless the applicant has been granted a time period extension. The applicant shall be granted a 180-day extension if:
 - 1. The applicant requests such an extension in writing prior to the expiration of the initial 180-day time period; and
 - 2. The Director or Hearing Examiner finds that unusual circumstances beyond the applicant's control have prevented them from providing the additional information within the initial 180-day time period. Only one extension may be granted.

Exception - 24 Month Extension of Active Applications and Applications Extended Pursuant to Ordinance Nos. 2008-115s and 2009-67s. The applicant or agent of record for any unexpired development application filed prior to January 1, 2011, or any development application previously extended pursuant to Pierce County Ordinance Nos. 2008-115s or 2009-67s, shall be granted a 24-month extension of the application expiration date upon submittal of a written request and payment of required fees as set forth in Chapter 2.05 PCC.

Upon receipt of a properly filed written extension request, the Department of Planning and Land Services shall notify the applicant or agent of record in writing of the granting of the 24-month extension, including the date on which the extension expires. The 24-month extension shall be calculated from the date that the application would have otherwise expired pursuant to the extensions granted in accordance with Ordinance Nos. 2008-115s or 2009-67s. For all other applications, the 24-month extension shall be calculated from the date on which the extension request was received by the Planning and Land Services Department. In those cases where the extension is requested for the underlying application (parent application), all applications directly associated to the underlying application shall also be extended. In all other cases, the extension shall be limited to the specific application for which the extension is requested.

Any information requested by Pierce County to complete its review of the subject application must be submitted by the applicant or their agent prior to the expiration of the 24-month extension period. An additional application review fee shall be required at the time of information submittal as set forth in Chapter 2.05 PCC. Failure to submit all requested information prior to the expiration of the 24-month extension period shall result in the application being deemed null and void. No additional time extensions beyond the 24-month extension shall be granted.

Information requested by the Pierce County Hearing Examiner shall not be subject to time extension unless such an extension is authorized by the Hearing Examiner.

For purposes of this exception, an application for final plat approval may be considered a development application and shall be eligible to receive a 24-month extension as set forth above.

In no case shall an extension be granted pursuant to this exception for any project located outside of the Urban Growth Area which is not consistent with the allowed uses and density of the rural zone classification in which the project is located.

Exception - One-Time Reactivation of Cancelled Applications.

Applications which were cancelled by the Department pursuant to Section 18.60.030 PCC between January 1, 2007, and January 1, 2011, shall be eligible for reactivation upon the submittal of a written reactivation request and the payment of the reactivation fee set forth in Section 2.05.135 PCC when all of the following criteria are met:

- Cancellation of the application occurred as the result of a failure to submit required information within the time period specified by PCC 18.60.030 C.;
- 2. No refund of application fees has been issued by the Department for the application being reactivated; and



 The use proposed by the application being reactivated is allowed under the zone classification in effect for the project site as of the date of reactivation and complies with density and other bulk standards for said zone classification.

Upon reactivation, the property owner or authorized agent shall have a maximum of one year from the reactivation date to submit all information required by the Department to complete review of the application. Failure to submit all required information within the 1-year period shall result in the application being cancelled and no further extensions or application reactivation shall be granted by the Department.

<u>Section 2</u>. A new Section 18.160.065 PCC, "Extension of Approval," is hereby adopted with the sunset date as provided in Section 10 as follows:

18.160.065 Extension of Approval.

- A. The Department shall grant a one time, 24-month extension to the duration of the approval for unexpired large lots, short plats, binding site plans, and use permits which received final approval and were recorded prior to November 1. 2009, any approval previously extended pursuant to Ordinance Nos. 2008-115s or 2009-67s, and any approval reactivated pursuant to Section 18.160.085 upon submittal of a written extension request and payment of required fees as set forth in Chapter 2.05 PCC. The 24-month extension shall be calculated from the approval expiration date established pursuant to Section 18.160.060 PCC except for those approvals previously extended pursuant to Ordinance Nos. 2008-115s or 2009-67s. Approvals previously extended pursuant to Ordinance Nos. 2008-115s or 2009-67s shall have the 24-month extension calculated from the expiration date established pursuant to said ordinances. In no case shall an extension be granted pursuant to this Section to any project located outside of the Urban Growth Area which is not consistent with the allowed use and density of the rural zone classification in which the project is located. Upon receipt of a properly filed extension request, the Department shall notify the property owner or agent of record in writing of the granting of the 24-month extension including the date on which this extension expires. During the 24-month extension period, Pierce County shall continue to honor the terms and conditions under which the proposal was approved including, but not limited to, zoning and proposed use.
- B. Final plats previously extended pursuant to Ordinance Nos. 2008-115s or 2009-67s shall be eligible to receive a 24-month time extension pursuant to the requirements set forth in subsection 18.160.065 A. above.

Section 3. A new Section 18.160.085 PCC, "One-Time Reactivation of Expired Approvals," is hereby adopted with the sunset date as provided in Section 10 as follows:

18.160.085 One-Time Reactivation of Expired Approvals.

A. Any use permit, short plat, large lot, or preliminary plat approval received between January 1, 2007 and June 1, 2010, which has expired pursuant

- to Section 18.150.060 PCC, shall be eligible for reactivation for the purpose of extension consideration upon the submittal of a written reactivation request and the payment of the reactivation fee set forth in Section 2.05.135 PCC when all of the following criteria are met:
- Cancellation of the application occurred as the result of a failure on the part of the applicant to make substantial progress on the project within the time period specified by the approval of Section 18.150.060 PCC as applicable; and
- 2. The use proposed by the approval being reactivated is allowed under the zone classification in effect for the project site as of the date of reactivation and complies with density and other bulk standards for said zone classification.
- B. The reactivation of the approval granted pursuant to PCC 18.160.085 A. above shall be for extension consideration only. Upon approval of the reactivation, the property owner or authorized agent shall have 60 days from the reactivation date to submit a request for time extension pursuant to Section 18.160.065 PCC. Failure to submit a request for extension within the 60-day period shall mean that the approval shall remain in an expired state and no further reactivation or extensions shall be granted. In the event that the extension requested pursuant to Section 18.160.065 PCC is denied, the approval shall be returned to an expired state and no further reactivation or extensions shall be granted.

Section 4. PCC 18F.40.070 A.1. is hereby amended with the sunset date as provided in Section 10 by adding an exception as follows:

18F.40.070 Preliminary Plats-Time Extensions.

A. General Requirements.

1. The applicant or owner(s) may request a 1-time, 1-year time extension beyond the five years within which to submit a final plat, unless approved under 18F.40.090.

Exception: A 24-month time extension may be granted by the Hearing Examiner in lieu of, or in addition to any previously granted time extension for any unexpired preliminary plat approved prior to November 1, 2009, which would otherwise expire prior to December 31, 2013. In no case, however, shall a 24-month extension be granted pursuant to this exception to any preliminary plat located outside of the Urban Growth Area which is not consistent with the allowed use or density of the rural zone classification in which the project is located.

Section 5. PCC 18F.50.050 A.2 is hereby amended with the sunset date as provided in Section 10 by adding an exception as follows:

18F.50.050 Final Short Subdivisions and Final Large Lot Division Requirements.

A. Time Limitations.



2. A proposed final short subdivision or final large lot division shall be submitted to the Planning Department within three years of the effective date of preliminary short subdivision/large lot division approval. The Department shall review the proposed final short subdivision/large lot division for compliance with the conditions of preliminary approval as set forth in 18F.50.050 D.

Exception: Any unexpired preliminary short subdivision/preliminary large lot division approved prior to November 1, 2009, shall be granted a 24month extension to the time period in which to submit a final short subdivision/final large lot division upon submittal of a written request and payment of required fees as set forth in Chapter 2.05 PCC. The extension request and required fees must be submitted to the Department prior to the date upon which the approval would otherwise expire. Upon receipt of a properly filed extension request, the Department shall notify the property owner or agent of record in writing of the granting of the 24-month extension including the date on which this extension expires. The 24month extension shall be calculated from the original expiration date or the expiration dated previously established by Ordinance Nos. 2008-115s and 2009-67s, as applicable. Failure to submit an extension request prior to the expiration date of the preliminary short plat/preliminary large lot shall result in the preliminary short plat/preliminary large lot approval being deemed null and void. In no case shall an extension be granted pursuant to this exception to any project located outside of the Urban Growth Area which is nonconforming to the use or density of the rural zone classification in which the project is located.

Section 6. For purposes of time extensions pursuant to Titles 16, 17C, 18, 18A, and 18F of the Pierce County Code, the Council declares that the current economic downturn is an unusual circumstance outside of an applicant's control and shall serve as adequate justification for the granting of time extensions by the Director or the Pierce County Hearing Examiner, as appropriate. Time extensions that are granted pursuant to this declaration shall continue to be subject to the conditions of approval and vested rights that applied to the application or permit prior to the extension. No new conditions shall be imposed except in those circumstances where the Council determines by Ordinance that additional conditions are necessary to address a serious threat to the public health, safety or welfare. This declaration by the Council shall remain in effect until November 1, 2011.

Section 7. This Ordinance shall not apply to any action associated with a violation of Pierce County Code and shall not authorize time extensions for information, applications, permits, or other actions required as a result of such violations. Further, this Ordinance shall not preclude or otherwise alter Pierce County's authority to suspend or modify vested rights when necessary to address an issue of public health or safety pursuant to a formal declaration of the Pierce County Council.

<u>Section 8</u>. A new Section 2.05.135 of the Pierce County Code, "Fees for Extensions Granted Pursuant to Ordinance No. 2011-18," is hereby adopted as follows:

2.05.135 Fees for Extensions Granted Pursuant to Ordinance No. 2011-18.

- A. Application extension pursuant to Section 1. of Ordinance No. 2011-18:
 - 1. Request for application extension.....\$ 155.00
 - 2. Applications extended pursuant to Ordinance No. 2011-18 shall be subject to a one-time review/resubmittal fee equal to 25 percent of the fee originally assessed for the application being extended. In those cases were the underlying application (parent application) and associated applications are being extended, a single fee shall be assessed based upon the original fee for the underlying application (parent application) only. The required fee(s) shall be collected at the time of the submittal of supplemental application information pursuant to Section 18.60.030 following the granting of the extension and shall be in addition to the fee set forth in subsection 2.05.135 A.1. above.
 - B. Extension of approval pursuant to Section 2. of Ordinance No. 2011-18:
 - 1. Extension of approval-Use Permit.....\$ 810.00
 - 2. Extension of approval-Final Large Lot/Short Plat.....\$ 235.00
 - 3. Extension of approval-Final Plat/Binding Site Plan\$ 470.00
 - C. Extension of preliminary plat approval pursuant to Section 4. of Ordinance No. 2011-18:
 - 1. Preliminary plat extension.....\$ 470.00
 - D. Extension of short plat/large lot approval pursuant to Section 5. of Ordinance No. 2011-18:
 - 1. Short plat/large lot extension\$ 235.00
 - E. Expired Application Reactivation Fee pursuant to Section 1. of Ordinance No. 2011-18:
 - 1. Expired Application Reactivation. 30 percent of original application fee
 - F. Expired Approval Reactivation for Extension Consideration pursuant to Section 3. of Ordinance No. 2011-18:
 - 1. Expired Approval Reactivation......\$ 310.00*

*Note: Reactivation is for purposes of considering extension of the approval only. The request for extension shall be subject to a separate extension fee as set forth in this Chapter.

<u>Section 9</u>. Findings of Fact as set forth in Exhibit A are hereby adopted and incorporated herein by reference.

Section 10. Sections 1. through 5. of this Ordinance shall sunset on November 1, 2011, provided, however, that any time extension or suspension approved prior to the sunset date shall remain in effect for the duration of said extension or suspension. Any time extension or suspension submitted in accordance with the provisions of this Ordinance and prior to the sunset date shall be processed in accordance with the provisions set forth herein.



1	Section 11. This Ordinance shall become effective on May 15, 2011.		
2	PASSED this The day of April	0044	
3	PASSED this I Cay of ATPREX	, 2011.	
5	ATTEST:	PIERCE COUNTY COUNCIL	
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10	Denise D. Johnson	Roger Bush	
11	Clerk of the Council	Council Chair	
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13		Act Mathe	
14 15		Pat McCarthy	
16		Pierce County Executive	
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17		Approved Vetoed, this	
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