

CERTIFICATION OF ENROLLMENT
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1096

69th Legislature
2025 Regular Session

Passed by the House April 27, 2025
Yeas 94 Nays 4

**Speaker of the House of
Representatives**

Passed by the Senate April 14, 2025
Yeas 43 Nays 4

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1096** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1096

AS AMENDED BY THE SENATE

Passed Legislature - 2025 Regular Session

State of Washington

69th Legislature

2025 Regular Session

By House Appropriations (originally sponsored by Representatives Barkis, Ryu, Connors, Leavitt, Klicker, Reed, Fitzgibbon, Richards, Couture, Macri, Callan, Doglio, Bronoske, Tharinger, Wylie, Duerr, Timmons, Ormsby, Fosse, Stonier, Bernbaum, and Hill)

READ FIRST TIME 02/21/25.

1 AN ACT Relating to increasing housing options through lot
2 splitting; amending RCW 36.70A.635; adding a new section to chapter
3 58.17 RCW; and creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that allowing an
6 existing residential lot to be split to create a new residential lot
7 through a simple, administrative process can offer many advantages to
8 both the existing homeowner and to prospective homebuyers. The
9 legislature further finds that administrative lot splitting can
10 provide current owners the opportunity to maintain homeownership in
11 changing life circumstances while facilitating development of middle
12 housing to provide homebuyers, including first-time homebuyers, with
13 more affordable ownership opportunities. The legislature also finds
14 that lot splitting can be combined with the review of a residential
15 building permit application to create a single integrated process
16 benefiting both homeowners and cities. Therefore, it is the intent of
17 the legislature to ease restrictions on, and expand opportunities
18 for, lot splitting in cities.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 58.17
20 RCW to read as follows:

1 (1) Cities shall include in their development regulations a
2 process through which an applicant can seek review and approval of an
3 administrative lot split, which may be combined with concurrent
4 review of a residential building permit to create new middle housing,
5 as defined in RCW 36.70A.030, or single-family housing. The
6 application process for a residential lot to be split may require
7 only an administrative decision, through which the application is
8 reviewed, approved, or denied by the planning director or other
9 designee based on applicable clear and objective development
10 standards, with neither a predecision public hearing, nor any design
11 review other than administrative design review. A new buildable
12 residential lot and residential building permit or permits must be
13 administratively approved and are not subject to administrative
14 appeal if they comply with applicable development standards and the
15 following conditions are met:

16 (a) No more than one newly created lot is created through the
17 administrative lot split;

18 (b) Both the parent lot and the newly created lot meet the
19 minimum lot size allowed under applicable development regulations;

20 (c) The parent lot was not created through the splitting of a
21 residential lot authorized by this section;

22 (d) The parent lot is located in a residential zone and not in an
23 exclusively nonresidential zone including, but not limited to, zones
24 that are exclusively commercial, retail, agricultural, or industrial;

25 (e) If the lot split would require demolition or alteration of
26 any existing housing that would displace a renter, the applicant must
27 recommend a displacement mitigation strategy that may include, but is
28 not limited to, relocation assistance;

29 (f) The applicable sewer and water purveyors have issued
30 certificates of availability to serve the newly created lot and
31 dwelling units;

32 (g) Access and utility rights are granted or conveyed as
33 necessary on or before recording of the lot split survey to provide
34 access for the maximum number of dwelling units that could be
35 developed on the newly created lot, provided such access rights may
36 be reduced consistent with a city's adopted codes, regulations, or
37 design standards as applicable through review of a subsequent
38 application for a building permit, short subdivision, unit lot
39 subdivision, subdivision application, or short subdivision if less

1 than the maximum number of dwelling units are built on the newly
2 created lot;

3 (h) The planning director or other designee determines that the
4 application follows all applicable development regulations; and

5 (i) The lot split survey has been approved by the planning
6 director or other designee and includes a condition on the face of
7 the survey that further lot splits of the parent lot and newly
8 created lot are not authorized by this section.

9 (2) A proposed lot split may be conditioned upon dedication of
10 right-of-way on the parent lot to the extent such dedication is
11 required under applicable codes, regulations, and design standards
12 for the development, short plat, or subdivision of the parent lot
13 absent an administrative lot split.

14 (3) Development of dwelling units on the newly created lot may be
15 conditioned upon construction of frontage improvements to a right-of-
16 way adjacent to either the parent lot or the newly created lot to the
17 extent required under applicable codes, regulations, and design
18 standards.

19 (4) Any construction on the newly created lot is subject to all
20 existing state and local laws including those specified in this
21 section. Nothing in this section modifies the requirements for
22 approval of residential building permits in chapter 19.27 RCW.

23 (5) A city subject to the requirements of this section may not
24 impose a limit on the total number of dwelling units allowed on the
25 parent lot or newly created lot that is less than the number of
26 dwelling units allowed by the underlying zoning of the parent lot
27 prior to the administrative lot split.

28 (6) Notwithstanding the provisions of this section, lots that are
29 not buildable according to locally adopted development regulations
30 including, but not limited to, critical areas, shorelines,
31 stormwater, setbacks, impervious surface areas, and building coverage
32 standards, are not eligible for a lot split under this section.

33 (7) If a lot split results in a lot of a size that would allow
34 for further land division, the lot is not eligible for a lot split
35 but may be divided under other applicable land subdivision processes.

36 (8) The newly created lot must meet any locally adopted minimum
37 density requirements.

38 (9) Cities are immune from any liability, loss, or other damage
39 suffered by another that is related to the city's approval of a lot

1 split under this act, including if the lot split creates a lot that
2 is later determined to not be buildable.

3 (10) Parent lots and newly created lots approved under this
4 section must have a lot split survey recorded with the county auditor
5 with a notation that future lot splits are not allowed on the lot.

6 (11) An application process or a residential lot to be split
7 under this section is subject to the maximum time period for local
8 government actions as set forth in RCW 36.70B.080, unless extended
9 pursuant to project-specific mutual agreement as permitted by RCW
10 36.70B.080.

11 (12) Ordinances adopted to comply with this section are not
12 subject to administrative or judicial appeal under chapter 43.21C
13 RCW.

14 (13) The department of commerce must develop guidance for cities
15 in implementing the lot splitting requirements.

16 (14) A city required to comply with the requirements of this
17 section that has its next comprehensive plan update due in 2027,
18 pursuant to RCW 36.70A.130, must adopt or amend by ordinance, and
19 incorporate into its development regulations, zoning regulations, and
20 other official controls, the requirements of this section in its next
21 comprehensive plan update. All other cities required to comply with
22 this section must implement the requirements within two years of the
23 effective date of this section.

24 (15) For the purposes of this section, the following definitions
25 apply unless the context clearly requires otherwise:

26 (a) "Lot split" means the administrative process of dividing an
27 existing lot into two lots for the purpose of sale, lease, or
28 transfer of ownership pursuant to this section.

29 (b) "Lot split survey" means the final survey prepared for filing
30 for record with the county auditor and containing all elements and
31 requirements for a lot split under this section and any local
32 regulations.

33 (c) "Newly created lot" means a lot that was created by a lot
34 split under this section.

35 (d) "Parent lot" means a lot that is subjected to a lot split
36 under this section.

37 (16) The provisions of this section do not apply to areas
38 designated as sole-source aquifers by the United States environmental
39 protection agency on islands in the Puget Sound.

1 **Sec. 3.** RCW 36.70A.635 and 2024 c 152 s 2 are each amended to
2 read as follows:

3 (1) Except as provided in subsection (4) of this section, any
4 city that is required or chooses to plan under RCW 36.70A.040 must
5 provide by ordinance and incorporate into its development
6 regulations, zoning regulations, and other official controls,
7 authorization for the following:

8 (a) For cities with a population of at least 25,000 but less than
9 75,000 based on office of financial management population estimates:

10 (i) The development of at least two units per lot on all lots
11 zoned predominantly for residential use, unless zoning permitting
12 higher densities or intensities applies;

13 (ii) The development of at least four units per lot on all lots
14 zoned predominantly for residential use, unless zoning permitting
15 higher densities or intensities applies, within one-quarter mile
16 walking distance of a major transit stop; and

17 (iii) The development of at least four units per lot on all lots
18 zoned predominantly for residential use, unless zoning permitting
19 higher densities or intensities applies, if at least one unit is
20 affordable housing.

21 (b) For cities with a population of at least 75,000 based on
22 office of financial management population estimates:

23 (i) The development of at least four units per lot on all lots
24 zoned predominantly for residential use, unless zoning permitting
25 higher densities or intensities applies;

26 (ii) The development of at least six units per lot on all lots
27 zoned predominantly for residential use, unless zoning permitting
28 higher densities or intensities applies, within one-quarter mile
29 walking distance of a major transit stop; and

30 (iii) The development of at least six units per lot on all lots
31 zoned predominantly for residential use, unless zoning permitting
32 higher densities or intensities applies, if at least two units are
33 affordable housing.

34 (c) For cities with a population of less than 25,000, that are
35 within a contiguous urban growth area with the largest city in a
36 county with a population of more than 275,000, based on office of
37 financial management population estimates the development of at least
38 two units per lot on all lots zoned predominantly for residential
39 use, unless zoning permitting higher densities or intensities
40 applies.

1 (2)(a) To qualify for the additional units allowed under
2 subsection (1) of this section, the applicant must commit to renting
3 or selling the required number of units as affordable housing. The
4 units must be maintained as affordable for a term of at least 50
5 years, and the property must satisfy that commitment and all required
6 affordability and income eligibility conditions adopted by the local
7 government under this chapter. A city must require the applicant to
8 record a covenant or deed restriction that ensures the continuing
9 rental of units subject to these affordability requirements
10 consistent with the conditions in chapter 84.14 RCW for a period of
11 no less than 50 years. The covenant or deed restriction must also
12 address criteria and policies to maintain public benefit if the
13 property is converted to a use other than which continues to provide
14 for permanently affordable housing.

15 (b) The units dedicated as affordable must be provided in a range
16 of sizes comparable to other units in the development. To the extent
17 practicable, the number of bedrooms in affordable units must be in
18 the same proportion as the number of bedrooms in units within the
19 entire development. The affordable units must generally be
20 distributed throughout the development and have substantially the
21 same functionality as the other units in the development.

22 (c) If a city has enacted a program under RCW 36.70A.540, the
23 terms of that program govern to the extent they vary from the
24 requirements of this subsection.

25 (3) If a city has enacted a program under RCW 36.70A.540,
26 subsection (1) of this section does not preclude the city from
27 requiring any development, including development described in
28 subsection (1) of this section, to provide affordable housing, either
29 on-site or through an in-lieu payment, nor limit the city's ability
30 to expand such a program or modify its requirements.

31 (4)(a) As an alternative to the density requirements in
32 subsection (1) of this section, a city may implement the density
33 requirements in subsection (1) of this section for at least 75
34 percent of lots in the city that are primarily dedicated to single-
35 family detached housing units.

36 (b) The 25 percent of lots for which the requirements of
37 subsection (1) of this section are not implemented must include but
38 are not limited to:

1 (i) Any areas within the city for which the department has
2 certified an extension of the implementation timelines under RCW
3 36.70A.637 due to the risk of displacement;

4 (ii) Any areas within the city for which the department has
5 certified an extension of the implementation timelines under RCW
6 36.70A.638 due to a lack of infrastructure capacity;

7 (iii) Any lots, parcels, and tracts designated with critical
8 areas or their buffers that are exempt from the density requirements
9 as provided in subsection (8) of this section;

10 (iv) Any portion of a city within a one-mile radius of a
11 commercial airport with at least 9,000,000 annual enplanements that
12 is exempt from the parking requirements under subsection (7)(b) of
13 this section; and

14 (v) Any areas subject to sea level rise, increased flooding,
15 susceptible to wildfires, or geological hazards over the next 100
16 years.

17 (c) Unless identified as at higher risk of displacement under RCW
18 36.70A.070(2)(g), the 25 percent of lots for which the requirements
19 of subsection (1) of this section are not implemented may not
20 include:

21 (i) Any areas for which the exclusion would further racially
22 disparate impacts or result in zoning with a discriminatory effect;

23 (ii) Any areas within one-half mile walking distance of a major
24 transit stop; or

25 (iii) Any areas historically covered by a covenant or deed
26 restriction excluding racial minorities from owning property or
27 living in the area, as known to the city at the time of each
28 comprehensive plan update.

29 (5) A city subject to the requirements of subsection (1)(a) or
30 (b) of this section must allow at least six of the nine types of
31 middle housing to achieve the unit density required in subsection (1)
32 of this section. A city may allow accessory dwelling units to achieve
33 the unit density required in subsection (1) of this section. Cities
34 are not required to allow accessory dwelling units or middle housing
35 types beyond the density requirements in subsection (1) of this
36 section. A city must also allow zero lot line short subdivision where
37 the number of lots created is equal to the unit density required in
38 subsection (1) of this section.

39 (6) Any city subject to the requirements of this section:

1 (a) If applying design review for middle housing, only
2 administrative design review shall be required;

3 (b) Except as provided in (a) of this subsection, shall not
4 require through development regulations any standards for middle
5 housing that are more restrictive than those required for detached
6 single-family residences, but may apply any objective development
7 regulations that are required for detached single-family residences,
8 including, but not limited to, set-back, lot coverage, stormwater,
9 clearing, and tree canopy and retention requirements;

10 (c) Shall apply to middle housing the same development permit and
11 environmental review processes that apply to detached single-family
12 residences, unless otherwise required by state law including, but not
13 limited to, shoreline regulations under chapter 90.58 RCW, building
14 codes under chapter 19.27 RCW, energy codes under chapter 19.27A RCW,
15 or electrical codes under chapter 19.28 RCW;

16 (d) Shall not require off-street parking as a condition of
17 permitting development of middle housing within one-half mile walking
18 distance of a major transit stop;

19 (e) Shall not require more than one off-street parking space per
20 unit as a condition of permitting development of middle housing on
21 lots no greater than 6,000 square feet before any zero lot line
22 subdivisions or lot splits;

23 (f) Shall not require more than two off-street parking spaces per
24 unit as a condition of permitting development of middle housing on
25 lots greater than 6,000 square feet before any zero lot line
26 subdivisions or lot splits; and

27 (g) Are not required to achieve the per unit density under
28 chapter 332, Laws of 2023 on lots after subdivision below 1,000
29 square feet unless the city chooses to enact smaller allowable lot
30 sizes.

31 (7) The provisions of subsection (6)(d) through (f) of this
32 section do not apply:

33 (a) If a local government submits to the department an empirical
34 study prepared by a credentialed transportation or land use planning
35 expert that clearly demonstrates, and the department finds and
36 certifies, that the application of the parking limitations of
37 subsection (6)(d) through (f) of this section for middle housing will
38 be significantly less safe for vehicle drivers or passengers,
39 pedestrians, or bicyclists than if the jurisdiction's parking
40 requirements were applied to the same location for the same number of

1 detached houses. The department must develop guidance to assist
2 cities on items to include in the study; or

3 (b) To portions of cities within a one-mile radius of a
4 commercial airport in Washington with at least 9,000,000 annual
5 enplanements.

6 (8) The provisions of this section do not apply to:

7 (a) Portions of a lot, parcel, or tract designated with critical
8 areas designated under RCW 36.70A.170 or their buffers as required by
9 RCW 36.70A.170, except for critical aquifer recharge areas where a
10 single-family detached house is an allowed use provided that any
11 requirements to maintain aquifer recharge are met;

12 (b) Areas designated as sole-source aquifers by the United States
13 environmental protection agency on islands in the Puget Sound;

14 (c) A watershed serving a reservoir for potable water if that
15 watershed is or was listed, as of July 23, 2023, as impaired or
16 threatened under section 303(d) of the federal clean water act (33
17 U.S.C. Sec. 1313(d));

18 (d) Lots that have been designated urban separators by countywide
19 planning policies as of July 23, 2023; or

20 (e) A lot that was created through the splitting of a single
21 residential lot pursuant to section 2 of this act.

22 (9) Nothing in this section prohibits a city from permitting
23 detached single-family residences.

24 (10) Nothing in this section requires a city to issue a building
25 permit if other federal, state, and local requirements for a building
26 permit are not met.

27 (11) A city must comply with the requirements of this section on
28 the latter of:

29 (a) Six months after its next periodic comprehensive plan update
30 required under RCW 36.70A.130 if the city meets the population
31 threshold based on the 2020 office of financial management population
32 data; or

33 (b) 12 months after their next implementation progress report
34 required under RCW 36.70A.130 after a determination by the office of
35 financial management that the city has reached a population threshold
36 established under this section.

37 (12) A city complying with this section and not granted a
38 timeline extension under RCW 36.70A.638 does not have to update its
39 capital facilities plan element required by RCW 36.70A.070(3) to
40 accommodate the increased housing required by chapter 332, Laws of

1 2023 until the first periodic comprehensive plan update required for
2 the city under RCW 36.70A.130(5) that occurs on or after June 30,
3 2034.

4 (13) Until June 30, 2026, for cities subject to a growth target
5 adopted under RCW 36.70A.210 that limit the maximum residential
6 capacity of the jurisdiction, any additional residential capacity
7 required by this section for lots, parcels, and tracts with critical
8 areas or critical area buffers outside of critical areas or their
9 buffers may not be considered an inconsistency with the countywide
10 planning policies, multicounty planning policies, or growth targets
11 adopted under RCW 36.70A.210.

12 NEW SECTION. **Sec. 4.** If specific funding for the purposes of
13 this act, referencing this act by bill or chapter number, is not
14 provided by June 30, 2025, in the omnibus appropriations act, this
15 act is null and void.

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