

# **CITY OF EVERSON URBAN GROWTH AREA PROPOSAL**



**Prepared as part of:**

Whatcom County 10-Year Review of Urban Growth Areas

**Submitted to:**

Whatcom County Planning Commission and County Council

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## **INTRODUCTION**

Over the past several months the City of Everson has been working in cooperation with Whatcom County and other cities to address issues related to the 10-year review of urban growth areas (UGAs) required under the Growth Management Act. Although the County's compliance schedule provided very limited time for cities to prepare UGA proposals, in developing the Everson proposal the City has done its best to build upon the work completed thus far in collaboration with the County while incorporating important local input.

This proposal document addresses the following components: population growth allocation, employment growth allocation, UGA boundary modifications and capital facilities. Map 1 shows the location of the current Everson City limits and existing UGA boundary as previously established by Whatcom County. Additional maps have been included where appropriate to illustrate important aspects of the proposal.

## **POPULATION ALLOCATION**

### Baseline Population

The official 2008 population for the City of Everson as established by the Washington State Office of Financial Management (OFM) was 2,170. Based on analysis completed by the County's consultant, the 2008 population of the Everson UGA (including both the area inside City limits and in the unincorporated portion of the UGA) was 2,395.

Earlier this year the City of Everson identified a number of reporting errors on the population and housing unit forms submitted to OFM that resulted in an underreporting of new housing unit construction in Everson between 2004 and 2008. Corrected forms were submitted to OFM in early April, and the State has indicated that the 2009 population estimate for Everson will include an adjustment to reflect these corrections. The net result will be a previously unreported increase in population of approximately 60 people. [Note: This correction will increase the population of the Everson UGA by approximately 2.5%.] To avoid confusion, the City has chosen not to try to incorporate this population correction into the population numbers used by the County throughout the 10-year UGA review process. However, it is important to keep in mind that as a result of these reporting errors the population, population growth and share of growth numbers for the City of Everson for the period from 2000 to 2008 are all lower than what actually occurred.

### County Population Growth Alternatives

As part of the 10-Year UGA review and associated environmental review, Whatcom County established a number of population growth alternatives for the Everson UGA that range from a low of adding 582 people to a high of adding 1,948 people (Alternative Y).

### City Proposed Population Growth Allocation

Following a public hearing held on March 24, 2009 the Everson City Council chose a proposed population allocation for the year 2031 of 4,343 (Alternative Y). This alternative includes a net population increase of 1,948 people through 2031. Such a growth pattern would be consistent with the 2.5% average annual growth rate experienced in Everson during the 1990s plus some additional population growth to accommodate a shift in growth from Bellingham and rural areas to the small cities as envisioned under Alternative Y.

### Residential Land Capacity Results

The County Land Capacity Analysis (LCA) utilized the City's current zoning within City limits and future zoning designations from the Everson comprehensive plan within the unincorporated portion of the UGA to determine residential land capacity. Map 2 shows these current and future zoning designations. The results of the County's LCA indicate that the Everson UGA has an available residential capacity sufficient to accommodate an additional 2,308 people. When compared to the City's proposed population growth allocation (Alternative Y), the County results indicate a net surplus of 28 acres of residential land, which could accommodate an additional 360 people (in addition to those to be accommodated under Alternative Y).

### Residential Land Capacity Modifications

The County LCA results are based on a number of assumptions, some of which are discussed in this and the following section. In its LCA the County made some assumptions regarding "assumed" densities for various residential zones. Although the County's LCA methodology clearly states that the starting point for setting assumed densities should be achieved densities if these values fit within reasonable limits, the County made a unilateral decision to use City minimum lot sizes to calculate average densities. Such an assumption is not mathematically valid since minimum lot sizes are not established as average lot sizes, but rather as lower limits; and, therefore such a calculation will tend to over-estimate residential land capacity. Recent development data in Everson indicate that the Everson single-family residential zone had an achieved density of 4.20 units per acre in the City and 4.48 in the UGA (following annexation) and the Everson multifamily residential zone had an achieved density of 8.41 units per acre. Substituting these slightly lower numbers into the LCA yields a residential land capacity sufficient to accommodate 2,250 additional people. This equates to a surplus of 24 acres, which is a net reduction of 4 surplus acres from the County's results.

### LCA Methodology Issues

Although the City does not want to raise the following issues as being of major importance at this time, it is the City's perspective that the County's LCA methodology has a number of important shortcomings that tend to over-estimate residential land capacity. The issue that is of the greatest concern is that the LCA methodology did not analyze development potential on a parcel-by-parcel basis, but rather aggregated parcels that could be subdivided and then divided this total by the minimum lot size. In effect, this approach adds together all of the leftover fractions of potential dwelling units and counts them toward residential capacity. So, for example, in a zone requiring a minimum

lot size of 10,000 square feet, and considering three parcels with net developable areas of 35,000, 37,000 and 38,000 square feet (totaling 110,000 square feet), the County LCA would calculate a land capacity of 11 units. However, a parcel-by-parcel analysis based on the minimum lot size would recognize that each of the three parcels could only be divided into a maximum of three for a total of nine lots. Concerns regarding this aspect of the methodology were raised by City planners while the methodology was being developed; however, the County made the decision to use the aggregation approach rather than the parcel-by-parcel approach over city objections. The magnitude of the potential over-estimation has not been analyzed.

The same aggregation problem also applies to vacant residential lots that are not large enough to be subdivided. All non-dividable, vacant residential lots with lot areas larger than the minimum lot size would be counted as adding that portion of their lot areas larger than the minimum lot size to the available land capacity, where such capacity would not truly exist. Some of this over-estimation of capacity would be offset by the infrastructure deductions incorporated into the methodology; however, the net result of these opposing effects and the magnitude of the potential over-estimation has not been analyzed.

Finally, the County LCA applies standard densities and market factors to all neighborhoods within a specific zoning designation, including county neighborhoods that are fully developed at suburban densities where further subdivision is very unlikely due to the configuration of existing lots and structures. One neighborhood in the Everson UGA that is located on the east side of Mission Road illustrates this issue. See Map 3. The County LCA applies an assumed density of 4.9 units per acre (based on the potential minimum lot size) and the standard 25% market factor to this group of 1-acre (approximately) parcels to calculate available residential capacity. Given the existing lot configurations (large homes and out-buildings and limited frontage and lot width for new roadways) and the uncertainty about whether or not such a neighborhood would ever choose to initiate an annexation into the City, it is likely that the LCA over-estimates the residential capacity in this neighborhood.

#### Residential Land Capacity Conclusion

Based on a comparison of the County LCA with the quantity of land needed to accommodate the City's proposed population growth allocation and in consideration of the LCA methodology issues raised above, it is the City's conclusion that the existing Everson UGA contains sufficient land to accommodate anticipated residential growth through 2031. If it is determined that the existing UGA is slightly too small to accommodate anticipated growth, the City will consider implementing a number of additional strategies to encourage greater in-fill, thereby avoiding the need to expand the UGA at this time.

## **EMPLOYMENT ALLOCATION**

### Baseline Employment Numbers

According to data compiled by the County's consultant, in 2008 a total of 638 commercial/industrial jobs were identified in the Everson UGA. This total included 262 commercial jobs, 121 retail jobs and 255 industrial jobs. When viewed in relation to the 2008 population estimate for the Everson UGA, this level of employment equates to a jobs-to-population ratio of 26.6%.

### County Commercial/Industrial Employment Growth Alternatives

As part of the 10-Year Review and associated environmental review, the County established a number of alternatives for employment growth in the Everson UGA. These alternatives range from a low of adding 151 jobs to a high of adding 446 jobs (Alternative Y).

### City Employment Growth Allocation

Following its public hearing on March 24, 2009 the Everson City Council chose the highest available employment growth number from the alternatives provided by the County. Alternative Y would allocate 446 additional jobs to the Everson UGA; however, when viewed in relation to the Alternative Y population allocation chosen by Everson, 446 new jobs would not even keep pace with the current jobs-to-population ratio. At least 72 additional jobs would need to be allocated to the Everson UGA just to maintain the current ratio of 26.6%. The Everson City Council would like to see the jobs-to-population ratio increase over time so that more citizens of the area will be able to work in their own community and avoid traveling to job centers in Bellingham and the western half of the county. The Growth Management Coordinating Council (GMCC) recently considered allocating an additional 182 jobs to the Everson UGA for a total employment growth allocation of 628 jobs. Such an increase in employment allocation would increase the jobs-to-population ratio to 29% and would be supported by the Everson City Council.

### Commercial/Industrial Land Capacity Results

The results of the County LCA with respect to employment capacity indicate that the Everson UGA contains sufficient land to accommodate the City's proposed employment growth allocation. The LCA indicates a surplus of approximately 52 acres of commercial/industrial land.

### Commercial/Industrial Land Capacity Modifications

The County LCA utilized a floor area ratio (FAR) within the City limits of 0.33 for industrial development. The FAR is the ratio of building square footage to parcel square footage. The Everson industrial FAR was based on a very small sample size that included Everson's largest industrial employer. When viewed in comparison to the FARs observed in other small cities in the county, this FAR appears to be relatively high. Lowering the FAR from 0.33 to a more standard 0.25 would decrease the net surplus of commercial/industrial land in the Everson UGA to approximately 42 acres. Any additional allocation of employment to Everson would further decrease this surplus. For example, allocating an additional 182 jobs as recommended by the GMCC would reduce the surplus capacity by approximately 30 acres.

### Commercial/Industrial Land Capacity Conclusion

Based on the above analysis and discussion, the City of Everson has concluded that the Everson UGA as it is currently designated is sized appropriately to accommodate the amount of commercial and industrial growth anticipated over the next 20+ years.

### **PROPOSED UGA BOUNDARIY MODIFICATION**

The City of Everson recognizes that the current UGA is appropriately sized; therefore, maintaining the current UGA configuration could be readily justified. However, the Everson City Council has recommended the following swap of City UGA property for a lesser quantity of land currently contiguous to the UGA in a good faith effort to include lands in the UGA that are better suited to urban development while removing lands from the UGA that are less well suited for urban development and better suited for natural resource and critical areas protection. It is the intention of the following proposal to increase opportunities for urban development within the UGA while maintaining or enhancing the county's agricultural land base and decreasing the quantity of floodplain acres included in the UGA.

#### Removal of Land from UGA and Addition of Lesser Quantity to UGA

The City has identified one group of parcels to be added to the UGA and three groups of parcels to be removed from the UGA. See Map 4. The area to be added to the UGA (identified as Area 1) contains approximately 45 acres while the areas to be removed (Areas 2, 3A, 3B and 4) contain approximately 67 acres. Area 1 has frontage on two county roads (Trapline and Stickney Island Roads), is adjacent to the current City limits and a planned expansion area for Everson's largest park (Riverside Park), would provide easy access (walking distance) to downtown Everson, and could be readily served by the City's nearby sewage treatment plant. The majority of this area is outside of the 100-year floodplain and the portions in the floodplain are in the flood fringe with no history of major flooding. See Map 5.

The properties proposed for removal from the UGA are described as follows: Area 2 is a group of smaller parcels located on the south side of Stickney Island Road. This area includes approximately 15 acres. Generally, these are relatively narrow properties with houses located adjacent to the road and the remaining acreage used for agriculture. Portions of this area are in the FEMA floodway. See Map 5. Area 3A is an approximately 5-acre property located on the west side of Van Buren Road. This property is entirely within the 100-year floodplain and is currently used for agriculture. Area 3B is an approximately 27-acre property located on the east side of Van Buren Road. This property is also entirely in the FEMA floodplain and although FFEMA mapping of the floodway in this vicinity stops at the City limits (just south of Area 3B), more detailed mapping would likely show a major portion of this area to be floodway as well. See Map 6. Area 4 is an approximately 20-acre group of two parcels located south of Hughes Road along the easternmost edge of the Everson UGA. See Map 7.

In contrast to Area 1, the parcels proposed to be removed from the UGA contain nearly 50 acres of floodplain including mapped and unmapped floodways where residential development is prohibited. One of the parcels (Area 3B) lies in the Johnson Creek overflow corridor where major flooding is experienced 2 to 3 times per decade. Although the acreage of the area to be added to the UGA is less than the area to be removed, this area to be added would accommodate a much greater level of urban development.

As indicated above, the area to be added to the UGA contains approximately 19 acres of FEMA-designated floodplain whereas the area to be removed from the UGA contains approximately 49 acres of floodplain. Thus, the net result of this UGA modification would be a net contraction of the UGA out of the floodplain. Recently adopted amendments to the Growth Management Act (EHB 1967) prohibit expansion of an urban growth area into a floodplain; however, as indicated in the attached letter from the Everson City Attorney, our legal review indicates that the Everson proposal would likely be consistent with this new legislation in that the result would be contraction rather than expansion into the floodplain. See letter included as Appendix A. Certainly the Everson proposal is consistent with the intent of the legislation in that not only would it not expand urban development in floodplains, but would actually reduce future urban development in such areas.

In drafting this proposal, the City was keenly aware that any proposed UGA modification would need to enhance or at least maintain the county's agricultural land base. This task was made more challenging due to the fact that Everson is surrounded by resource lands on nearly all sides. In the current case, all of the parcels included in the proposed UGA swap are currently zoned Agriculture in the county. The 67 acres proposed to be removed from the UGA contain more than an equivalent quantity of like agricultural land to offset the 45 acres of land to be added to the UGA, including an additional 3.25 acres needed to satisfy the condition of approval for the small strip of land previously added as a provisional UGA in 2007 through County Ordinance No. 2007-049 (Section 2, Condition b). See copy of adopted ordinance included as Appendix B. As has been indicated previously, the City is interested in working with the County on issues related to transferring density out of agricultural and rural areas. The area proposed to be added to the Everson UGA might be a good location to receive such transfers. This area might also be an excellent location to explore the development of a Conservation Village in a small town context.

The Everson Planning Agency and City Council have given this proposed UGA modification substantial consideration and have found it to be consistent with the intent of the GMA. The proposed swap would provide benefits to both the city and the county and would further state, local and regional goals.

## **CAPITAL FACILITIES**

The City's current capital facilities plans do not address the provision of services through the year 2031. This is not unusual given that utility comprehensive plans typically

address the succeeding 20-year period and the County's 10-year UGA review is considering a time horizon from 2008 through 2031, a period of 23 years. Based on limited City analysis due to the limited timeframe provided by the County for such review, the City has determined that although additional capital facilities planning will be required and although some additional expansion of capital facilities will be required, the City will be able to provide all required urban services through the planning period. In addition, the City recognizes that additional capital facilities planning to address infrastructure needs and financial capacity will be required in conjunction with the 2011 update of the City's comprehensive plan.

#### Water Service

The City's water comprehensive plan identifies some but not all of the locations of needed infrastructure improvements throughout the Everson UGA. The next required update of the water comprehensive plan would not be until 2011. City held water rights and water storage facilities provide sufficient capacity to accommodate anticipated growth through 2031. Some reductions in supply to City wholesale customers, primarily based on reduced consumption needs, may be necessary in the latter few years of the planning period.

#### Sewer Service

The Everson sewage treatment plant serves both the cities of Everson and Nooksack. At the current time the City of Everson does not have a sewer comprehensive plan. The City is currently pursuing funding for development of such a plan. The capital facilities element of the Everson comprehensive plan addresses infrastructure needs in some but not all of the current UGA. The Everson share of the available capacity in the treatment plant is sufficient to accommodate growth for the next 8 to 12 years. Development of additional capacity will be necessary, and it is anticipated that the upcoming comprehensive planning process will identify a timeline for expansion of the existing treatment plant and appropriate funding sources.

#### Other Capital Facilities and Services

No limitations based on other capital facilities or services needs have been identified at this time.

### **CONCLUSION**

The City of Everson UGA proposal supports the conclusion that the Everson UGA contains sufficient lands to accommodate the population and employment growth anticipated through the year 2031. The Everson UGA and the current and future zoning designations established by the Everson City Council support the vision of Everson set forth in the City's comprehensive plan as a small town serving the surrounding community and encouraging the development of a local industrial sector to provide jobs close to where people live. The Everson Mayor and City Council respectfully request that the County Planning Commission and County Council strongly consider the merits of adjusting the Everson UGA boundaries as proposed herein. Such a modification would

reduce the relatively small surplus capacities identified through the County's Land Capacity Analysis and would increase opportunities for urban use of land while conserving the agricultural land base and reducing the amount of future development in floodplains.