

Urban Growth Area Review



DRAFT
WHATCOM COUNTY GROWTH MANAGEMENT COORDINATING COUNCIL RECOMMENDATIONS
JUNE 2009

Growth Management Coordinating Council

Chair: Jack Louws
Vice Chair: Andy Rowlson

Representatives:

Whatcom County

Pete Kremen, County Executive
Sam Crawford, County Council
Seth Fleetwood, County Council

City of Bellingham

Dan Pike, Mayor
Barbara Ryan, City Council

City of Blaine

Bonnie Onyon, Mayor

City of Everson

Andy Rowlson, City Council

City of Ferndale

Gary Jensen, Mayor

City of Lynden

Jack Louws, Mayor

City of Nooksack

Marshall Judy, City Council

City of Sumas

Bob Bromley, Mayor

Technical Advisory Group:

Planning Directors from each city, county, tribes, Port of Bellingham and Council of Governments meet regularly to provide recommendations to the Coordinating Council.

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The Growth Management Coordinating Council

Many of the planning and development issues that Whatcom County struggles with require the county to work together with other units of government. Cooperation and agreement amongst various units of government, along with effective and continuous citizen participation, are essential ingredients to implementing a vision for growth and development in the county. Issues such as urban growth boundaries, water quality and quantity, economic development, transportation, public facilities and services require regional discussion and solutions.

In June 2008, representatives of all the cities, tribes and county council were asked by Whatcom County Executive Pete Kremen whether they wished to work together to address growth management issues in Whatcom County. Cities and the county chose to form a Growth Management Coordinating Council (GMCC) to address issues common amongst the jurisdictions required to comply with the Washington State Growth Management Act. Elected officials chose to meet monthly, focusing in on three issues:

- 1) Review and update of the vision for future growth and development in the region.
- 2) Review and update of the county-wide planning policies that form the framework for review and amendment of city and county comprehensive plans.
- 3) Review of county population forecasts and ways to implement urban growth areas.

An appeal of the county's Urban Growth Area review process and an order from the Western Washington Growth Management Hearings Board (WWGMHB) required that the focus be shifted to the Urban Growth Area review and revision task. The information in this report summarizes the past nine months of coordination regarding urban growth areas. Policy recommendations to the cities and county are shown in *blue italics* throughout the document.

Growth Management Act

The Growth Management Act (GMA) requires counties to review Urban Growth Areas at least every ten years. Whatcom County was required to complete this review in 2007; the WWGMHB has set a deadline of December 1, 2009 to complete this review. Requirements for this review include:

- Review the densities permitted within both the incorporated and unincorporated portions of the urban growth area.
- Cities shall review the densities permitted within its boundaries.
- Review the extent to which the urban growth occurring within the county has located within each city and the unincorporated portions of the urban growth areas.
- The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the plans of the county and each city, shall be revised to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period.
- The county must consult with cities regarding UGAs and justify in writing if no agreement is reached.
- Compliance with the State Environmental Policy Act (SEPA)

Growth Forecast

In recent years, Whatcom County officials and officials at the Washington State Office of Financial Management (OFM) have invested considerable resources to develop population forecasts for Whatcom County. Given these investments, the Growth Management Coordinating Council and staff chose not to engage in a complete re-vamp of population and employment forecasts. Rather, they have chosen to make use of existing forecasts: (1) examining how past and existing forecasts have performed to date; (2) examining what these forecasts foresee regarding the future; and (3) with those considerations in mind, identifying preferred forecasts for the coming planning period.

Table 1: Alternative Population Growth Projections

Forecast Year:	2029	2030	2031 ¹
OFM Low-range	216,300	217,628	218,981
OFM Mid-range	258,448	261,416	264,400
OFM High-range	318,832	324,156	329,759
Berk Report	251,490	254,228	256,952
EIS Range:	234,917 to 258,448		

Chart 1: Whatcom County Population Forecasts

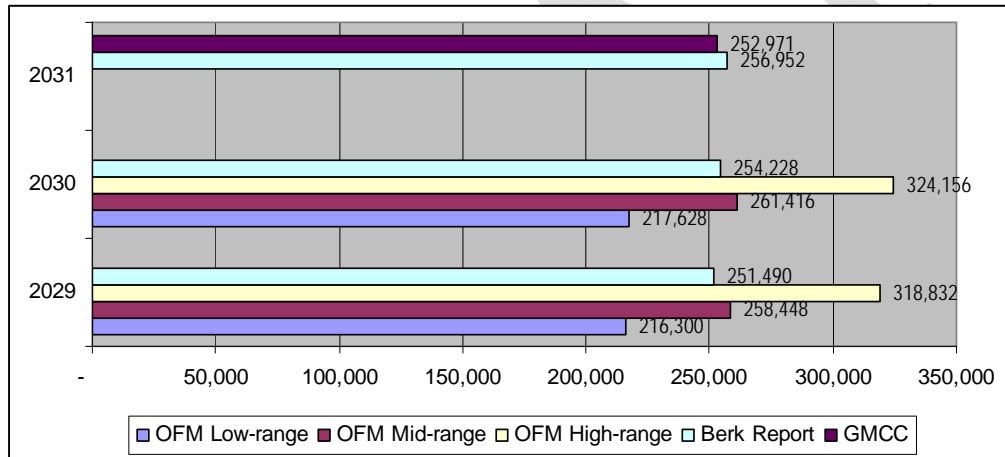


Table 2: Alternative Employment Growth Projections

Forecast Year:	2029	2030	2031
OFM	OFM does not do employment projections		
Berk Report	33,909	35,202	36,488
GMCC			33,909
EIS Range:	26,083 to 37,194		

¹ OFM projections do not extend beyond 2030. The 2031 numbers are a one year extrapolation of OFM forecasts.

Growth Forecast Recommendation:

The Growth Management Coordinating Council was presented with information that two growth forecasts developed in 2002, one by OFM and another by ECONorthwest performed reasonably well when compared with actual growth in Whatcom County between 2002 and 2008. Of the two, the ECONorthwest 2002 forecast tracked more closely with actual growth, and when OFM developed new forecasts in 2007, its new baseline forecast moved a bit closer to ECONorthwest's 2002 forecasts.

- 1 Establish a county-wide growth forecast for Whatcom County that represents the “most likely” expectation for growth during the planning period.***
- 2 Adopt a county-wide population forecast of 252,971 (61,971 additional people over 2008 estimated population) and a county-wide employment forecast of 33,909 of additional employment growth.***

The Growth Management Coordinating Council considered the range of population and employment forecasts. The most likely forecasts of population growth are represented by the OFM mid-range and the Berk forecast. Due to the economic recession, the Growth Management Coordinating Council adopted a slightly lower forecast than shown in those reports.

Growth Allocation

Whatcom County is required to revise Urban Growth Areas to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period. The Growth Management Coordinating Council was presented with a memorandum from Berk and Associates that looked at historic trends and economic theory for where growth might go. This was seen as an unconstrained demand for growth, recognizing that it did not consider where population and commerce would go in the absence of potential constraints like limitations in land supply or public policies that encourage or discourage development.

The Growth Management Coordinating Council and Whatcom County requested that each jurisdiction develop a request for allocation as a starting point for discussion. Tables 3 and 4 represent the allocation requests with slight modifications² by the Growth Management Coordinating Council.

Table 3: Population Allocation Recommendation

Study Area	2008 Population	Phase II Requested Allocation	2029-31 Total	2008 share of Population	Requested Allocation Share
Bellingham UGA	89,284	23,771	113,055	46.7%	38.4%
Birch Bay UGA	5,290	4,329	9,619	2.8%	7.0%
Blaine UGA	5,754	3,720	9,474	3.0%	6.0%
Columbia Valley UGA	3,924	1,076	5,000	2.1%	1.7%
Everson UGA	2,395	1,948	4,343	1.3%	3.1%
Ferndale UGA	12,019	8,687	20,706	6.3%	14.0%
Lynden UGA	11,613	7,414	19,027	6.1%	12.0%
Nooksack UGA	1,137	1,159	2,296	0.6%	1.9%
Sumas UGA	1,279	793	2,072	0.7%	1.3%
<i>Rural</i>	58,305	9,074	67,379	30.5%	14.6%
TOTALS	191,000	61,971	252,971		

Table 4: Employment Allocation Recommendation³

Study Area	2008 Employment	Requested Allocation	2029-31 Total	2008 share of Employment	Requested Allocation Share
Bellingham UGA	51,153	18,829	69,982	66.1%	54.4%
Birch Bay UGA	436	489	925	0.6%	1.4%
Blaine UGA	2,971	1,903	4,874	3.8%	5.5%
Cherry Point UGA	1,182	760	1,942	1.5%	2.2%
Columbia Valley UGA	90	455	545	0.1%	1.3%
Everson UGA	638	628	1,266	0.8%	1.8%
Ferndale UGA	5,534	3,931	9,465	7.1%	11.4%
Lynden UGA	4,832	3,559	8,391	6.2%	10.3%
Nooksack UGA	206	390	596	0.3%	1.1%
Sumas UGA	254	291	545	0.3%	0.8%
<i>Rural</i>	10,130	3,373	13,503	13.1%	9.7%

² City of Blaine Council requested higher population.

³ The employment allocation includes an additional 1,540 employees not requested by the jurisdictions. These employees were allocated to those UGAs that were with low population to employee ratios.

Chart 2: Population Share of Growth

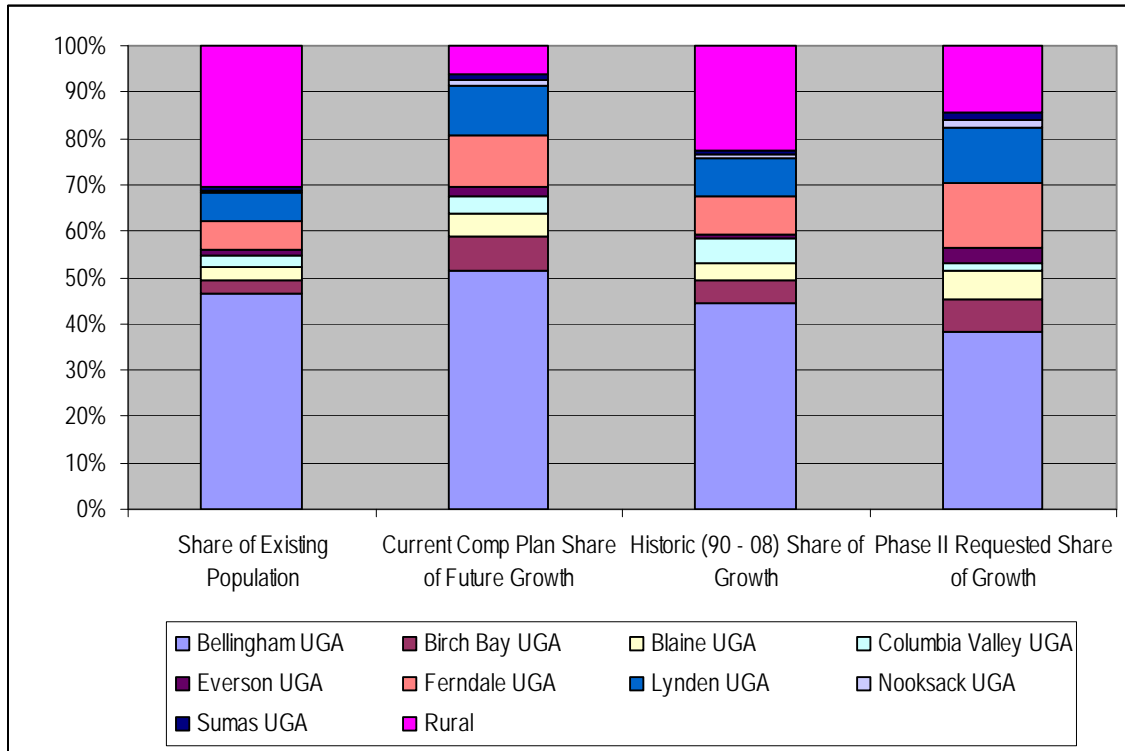
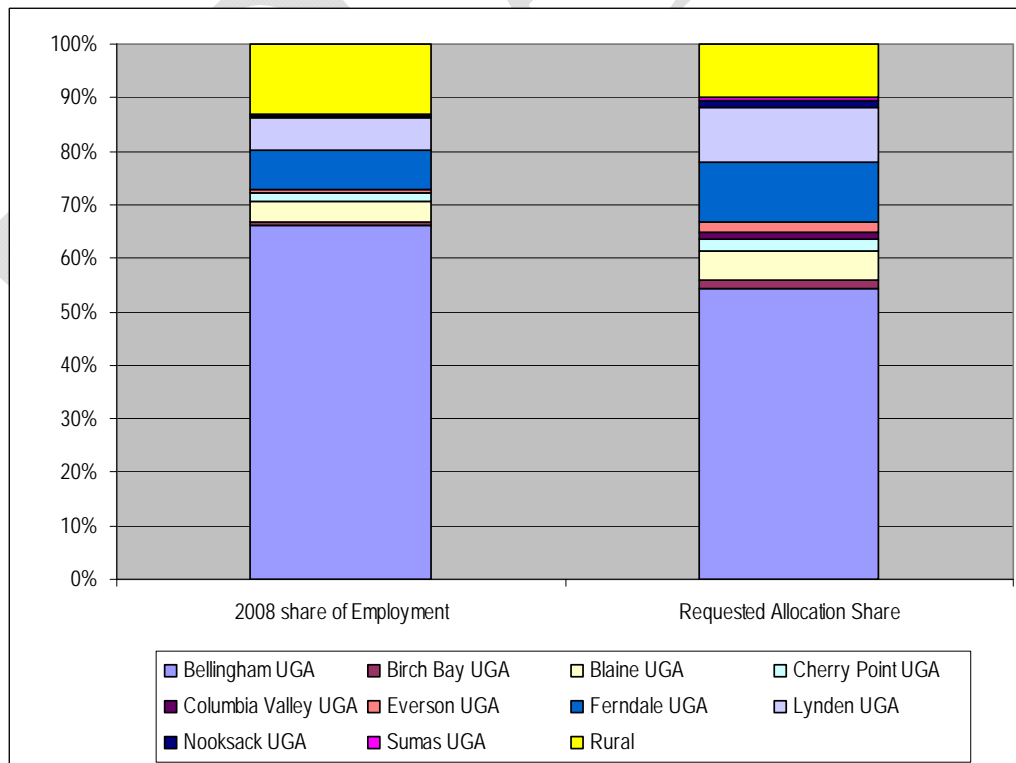


Chart 3: Employment Share of Growth



Growth Allocation Recommendation:

The total allocation requests from the various Urban Growth Areas and rural areas were very close to the original growth forecast of the Growth Management Coordinating Council. The Growth Management Coordinating Council deliberated on several growth allocation questions:

- How much deference should be given to local proposals for growth allocation?
 - Is the initial pattern of growth distribution as proposed by the various entities the most desirable alternative?
 - Is the allocation of growth to rural areas reasonable?
- 3 Recognize input received throughout the public process by Whatcom County and cities and provide strong preference to local proposals while addressing the regional issues.***
 - 4 Support the initial pattern of growth distribution as the most desirable alternative, including a concentration of that growth into cities.***
 - 5 Explore ways to transfer more growth out of rural areas.***
 - 6 Support the proposed allocation of rural growth at approximately 15% as an achievable rural growth rate.***
 - 7 Utilize a consistent methodology for determining the capacity of Urban Growth Areas using assumptions meant to be reasonable estimates of densities to expect over the long-term planning period.***

The Growth Management Coordinating Council believes that growth management should be a bottoms up decision-making process. The growth allocation proposals reflect considerable public input provided to cities and their vision for future growth. Except when addressing regional issues, preference to local proposals should be given strong deference.

The allocation proposals also reflect a distribution of growth away from Bellingham and into the smaller Urban Growth Areas. The Growth Management Coordinating Council found that this was not only a local preference, but a desirable alternative reflected in public input and environmental review. The Growth Management Coordinating Council did discuss that while this might be the most desirable alternative, some questioned whether it was a practical alternative.

The Growth Management Coordinating Council was provided information that showed the rural population accounts for 30% of the total county population, and growth over the last 18 years is estimated at 22.8%. In addition, review of existing vacant parcels in rural and resource lands shows that there are approximately 18,000 lots with legal development rights. It will take a considerable time frame to retire those existing development rights.

Finally, the Growth Management Coordinating Council review and discussed a methodology for determining the capacity for growth within the various Urban Growth Areas. This consistent methodology provides for a consistent approach. Monitoring of growth will also be needed to ensure that these estimates are reasonable.

Public Facilities and Services

One of the goals of the Growth Management Act is to encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner. The Growth Management Act requires that urban growth be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be serviced adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources.

The Growth Management Act defines public facilities to include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

The Growth Management Act defines public services to include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

Recent Growth Management Hearings Board decisions have placed more importance on the preparation and implementation of public facility and service planning for Urban growth Areas. The key points include:

- Capital facilities plans should address the 20-year horizon and full urban growth area (UGA) boundaries.
- Financial plans should address at least a 6-year period and funding sources should be specific and committed.
- Existing un-served areas in the UGA must be addressed as well as new UGA expansion areas.⁴

The Growth Management Coordinating Council discussed and recognized the need for public facility and service planning for Urban Growth Areas. The dilemma facing the facility and services providers is what comes first: agreement on basic UGA issues (growth and boundaries), or facility and service plans.

The current requirement is that Whatcom County review the Urban Growth Area pursuant to RCW 36.70A.130(3). The requirements for this review are clearly distinguished from the requirements for preparation of a comprehensive plan and development regulations. Cities note it is time consuming, expensive and perhaps fruitless, to undertake capital facility planning until they know what their growth allocation will be and where the urban growth will be directed. The

⁴ “Only after such examination and consideration should a local government then examine the second area of characterization by urban growth to be later served adequately by existing public facilities and services and any additional needed public facilities and services. Only after exhaustive consideration of the first two locations should a local government place urban growth in the remaining portions of UGAs.” C.U.S.T.E.R v. Whatcom County (96-2-0008)

provisions for review and update of the comprehensive plan and development regulations in the Growth Management Act allow for a logical sequencing of planning decisions.

Public Facilities and Services Recommendation:

The Growth Management Coordinating Council believed that the current Urban Growth Area review should demonstrate the reasonable likelihood that the Urban Growth Area can be provided with adequate public facilities and services, but amendment of capital facility plans could be left to the review and update of the comprehensive plan and development regulations required in 2011.

A key to making this phased planning approach work is to ensure that there are measures in place that preclude development within a UGA before public services and facilities are available. Current county regulations preclude urban densities until public water and sewer are extended; existing regulations require that the density without these services be 1 unit per 5 acres, except in Bellingham where it is 1 unit per 10 acres. Additionally, most cities will not extend services without annexation.

Finally, a concern amongst the cities in particular is that the unincorporated Urban Growth Areas (Birch Bay and Columbia Valley) be held to the same expectations for public facilities and services as the other Urban Growth Areas. The Cherry Point Urban Growth Area was designated under a different provision in the statute for industrial lands.

- 8 Where public facility and service plans are not consistent with the planning horizon, UGA boundary or growth forecasts, allow for reconciliation of the public facility and service gaps as part of the comprehensive plan and development regulation review required in 2011.***
- 9 Encourage that unincorporated Urban Growth Areas have urban levels of service approximating city standards.***
- 10 Ensure that Whatcom County has measures in place to preclude urban levels of development before urban services and facilities are in place to serve that development.***

Agricultural Lands Impact

The growth of Whatcom County's population has placed tremendous pressure on the area's farmers due to the increased housing demand and subsequent development of prime agricultural land in the county's rural areas.

The importance of farming and a desire to protect farmland is stated in the county's comprehensive plan.

"Conserve and enhance Whatcom County's agricultural land base for the continued production of food and fiber." (Goal 8A)

"Conserve productive agricultural lands and agricultural resource lands, including areas with prime soils which are not now zoned agriculture, by developing and implementing a long range strategy. The planning horizon should be twenty years in the short-term and 250 years in the long-term." (Policy 8A-1)

According to the 2007 Census of Agriculture, Whatcom County agriculture brought in \$326,450,000 dollars worth of market value production, an increase of 13% from the 2002 value.

Whatcom County is ranked number one on the west side of the state for agricultural production, seventh in the state overall, and in the top 5% of counties nationally. Whatcom County also produces about 85% of the nation's raspberry crop.

Whatcom County is a regional supplier of farm equipment and services with tractor dealerships, custom farm businesses, specialized dairy supplier service businesses, hay businesses, and other support businesses. These businesses are primarily located within urban areas.

The predominate agricultural activity in the County is dairy farming and associated livestock raising (Whatcom County is third in WA state and in the top 3% nationally for market value of livestock and poultry products sold).

Other specialty crops, such as mushrooms, hazelnuts, and seed potatoes are marketed locally as well as in regional and international markets.

Agriculture is a high priority to the citizens in Whatcom County. A recent survey⁵ found that 72% of the respondents thought that Whatcom County should protect working farmland. Only 16% supported converting working farmland to accommodate population growth.

Despite these goals and public support for agriculture, land in active agricultural use in Whatcom County declined by more than 35% since 1950 – from 200,000 acres to 103,000 acres in 2007. Concern for the continuing loss of farmland motivated Whatcom County to create a Purchase of Development Rights (PDR) program, one of several tools Whatcom County uses to try to protect further loss to its agricultural lands.

⁵ Source: Whatcom County Values and Beliefs Survey, 2009 (Davis, Hibbits & Midghall, Inc.)

There are, however, many lots not yet developed. Recent analysis indicates that over 18,000 existing, developable lots are located within variously-zoned rural and agricultural areas, with another 8,000 lots that could be created under current land use ordinances. Within the Agricultural zone, where the minimum lot size is 40 acres, there are an estimated 2,000 existing vested undeveloped lots.

Encouraging growth into urban areas requires that adequate land be set aside for that urban growth. An adequate land supply at a variety of densities and costs also can reduce the attractiveness of those thousands of lots in the rural and agricultural lands that already exist. The Urban Growth Areas of Lynden and Sumas have no where to grow outside the current UGA without impacting agricultural lands. Everson, Nooksack and Ferndale are also largely encompassed by agricultural lands.

One of the issues that must be addressed is a definition of agricultural land. Whatcom County considers agricultural land from two perspectives: 1) land use and 2) taxation.

- For the purpose of addressing the loss of agricultural lands, the agricultural land base includes land that is zoned Agricultural and rural land in a parcel composed of 50% or more of Agricultural Protection Overlay (APO) zone soils.
- For the purpose of incentive programs, the agricultural land base includes land enrolled in the open-space agricultural taxation program during the past seven years or rural land that has been farmed at any time during the past five years.

Agricultural Lands Recommendation:

The Growth Management Coordinating Council was presented with information regarding the importance of agricultural lands and the challenges in maintaining the viability of the industry in Whatcom County. The Growth Management Coordinating Council also realizes the difficult balancing act that must occur to conserve and protect the agricultural economy of Whatcom County while encouraging growth into urban areas without significantly impacting the cost of housing. The Growth Management Coordinating Council also recognizes that addressing this issue requires the cooperation of both cities and the county, and that all need to play a role in this effort.

11 Support efforts to maintain a viable agricultural industry in Whatcom County, including the protection of at least 100,000 acres of land for agricultural uses.

12 All cities and Whatcom County will work cooperatively to develop and participate in a program to address the loss of additional agricultural lands due to population and non-agricultural employment growth.
