

GROWTH MANAGEMENT PLANNING COUNCIL AGENDA ITEM
KING COUNTY, WASHINGTON

AGENDA TITLE:	Draft Update to Housing and Job Growth Targets, and Proposed CPP Amendment
PRESENTED BY:	Michael Hubner, Suburban Cities Association and Chandler Felt, King County

EXECUTIVE SUMMARY

This is a status report on the progress of the effort to update housing and job growth targets for each King County jurisdiction. The April briefing for GMPC focused on methodology and proposed target totals for the county as a whole and for groupings of cities within the county. This briefing presents two draft products to include 1) draft target ranges for each jurisdiction and 2) draft text amendments to the Countywide Planning Policies to bring the CPPs into alignment with the methodology used in the proposed target allocations. The proposed targets update responds to and is guided by several related objectives, including:

- The Growth Management Planning Council is considering updates to county and city **Growth Targets** as the first phase of a comprehensive set of amendments to the **Countywide Planning Policies** before GMPC in 2009 and 2010.
- Updated targets provide a framework for local GMA **comprehensive plan updates** due in 2011 while accommodating new **state population projections**.
- Updates to CPPs and targets are guided by Multicounty Planning Policies and the Regional Growth Strategy contained in *VISION 2040*.

The GMPC is scheduled to take action on new growth targets for 2006-2031 target period at the September 16 meeting. The growth targets staff committee will continue to refine the proposal over the summer, incorporating input from local review and making technical adjustments, toward the goal of bringing a final set of proposed targets to the Council for consideration and adoption.

BACKGROUND

Planning Requirements and Existing Growth Targets

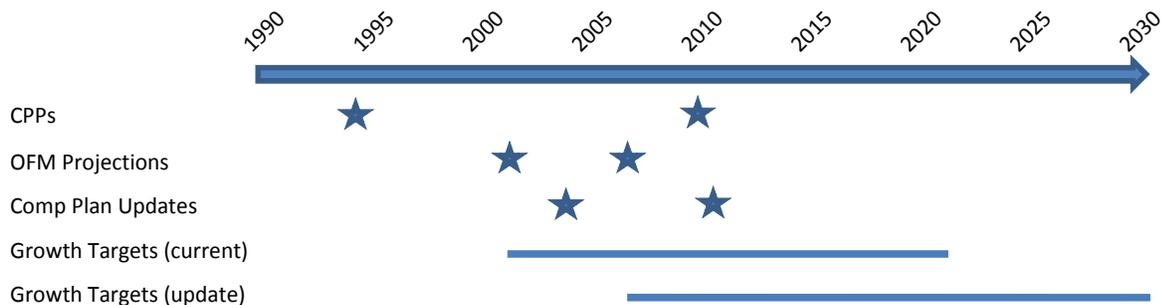
Under Washington State's Growth Management Act (GMA), King County and its cities must adopt comprehensive plans that accommodate 20 years of anticipated population and employment growth. Plans must provide for land uses and densities, capital facilities and transportation infrastructure that are sufficient to meet future needs. Local governments have discretion as to how they will accommodate the growth within their borders. Jurisdictions must update their comprehensive plans at least every 7 years. Cities in King County last completed their plan updates in 2004. The deadline for the next plan update is December 2011.

Every five years, the state Office of Financial Management (OFM) issues population projections for each county in the state as a basis for GMA planning. Based on these projections, counties and cities collaborate in determining local allocations of that growth. The act requires that local growth numbers be updated at least every ten years. GMPC last updated growth targets in 2002.

In King County, growth targets are policy statements indicating the minimum number of households (or housing units) and jobs each jurisdiction plans to accommodate during the current 20-year Growth Management period. The targets are based on the OFM population projections along with employment forecasts produced by the Puget Sound Regional Council (PSRC). Both the OFM and PSRC projections reflect that the county is an attractive region which, over the long term, is expected to see robust amounts of both residential and employment growth.

The Countywide Planning Policies (CPPs) were originally adopted by the GMPC in 1994, and included growth targets from 1992-2012. The current growth targets were adopted in 2002, for a planning period extending to 2022. The county and cities incorporated those targets into their 2004 plan updates.

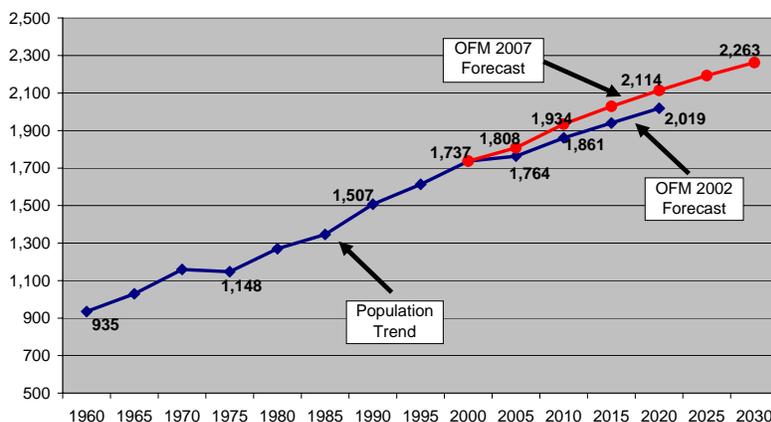
The timeline below gives an overview of the schedule for GMA planning actions for King County. Updates with direct bearing on the Growth Targets update are highlighted.



New OFM and PSRC Forecasts and New Policy Guidance from Vision 2040

Washington State Office of Financial Management released new population projections in 2007, which show King County growing at a faster rate than previously forecasted. OFM now projects one-third more growth by 2022 than its 2002 forecast predicted. Overall, for the extended planning period, the county is expected to grow by about 450,000 people between 2006 and 2031 to a total population of 2.3 million. OFM provides a range of forecasts from high to low, but King County has used the medium or what OFM deems the “most likely” forecast number. The graph below shows the new OFM population projection compared with historical trends and compared with the 2002 OFM projection on which the county’s current targets are based.

OFM Population Trends/Forecasts for King County
Numbers in thousands



The latest employment forecasts released by PSRC in 2006 show growth in the county, over this same 25-year period, of about 490,000 jobs to a total of about 1.7 million jobs in 2031. This is also an increase over the current employment targets which, over a somewhat shorter period, anticipate a 22-year increase of 289,000 jobs in King County.

The Puget Sound Regional Council recently adopted *VISION 2040*, a growth management, transportation, and economic development strategy for the 4-county region. With *VISION 2040*, the PSRC has amended its Multicounty Planning Policies (MPPs) to address coordinated action around a range of policy areas, including development patterns and the distribution of growth. The GMPC will be updating its countywide policies in 2010 to address the policy guidance contained in the newly updated MPPs.

VISION 2040 also contains a Regional Growth Strategy that provides substantive guidance for planning for the roughly 1.7 million additional people and 1.2 million additional jobs expected in the region between 2000 and 2040. The strategy retains much of the discretion that counties and cities have in setting local targets, while calling for broad shifts in where growth locates within the region. It establishes six clusters of jurisdictions called “regional geographies” – four types of cities defined by size and status in the region and two unincorporated types, urban and rural.¹ In comparison to current targets and plans, the Strategy calls for:

- **Increasing** the amount of growth targeted to cities that contain regionally designated urban centers (to include both **Metropolitan Cities** and **Core Cities**)
- **Increasing** the amount of growth targeted to other **Larger Cities**
- **Decreasing** the amount of growth targeted to **Urban unincorporated** areas, **Rural** designated unincorporated areas, and to many **Small Cities**
- Achieving a greater **jobs-housing balance** within the region by shifting projected population growth into King County and shifting forecasted employment growth out of King County

PROPOSED NEW GROWTH TARGETS, 2006 – 2031

To guide the required 2011 update of comprehensive plans, the GMPC is set to approve a new set of housing and job growth targets for each King County jurisdiction, covering the 25-year period 2006 – 2031. The proposed new updates to the targets, based on the new population projections from OFM and the requirements and policy framework contained in *VISION 2040*, will provide substantive guidance to cities so they can update their 20-year comprehensive plans by 2011. New growth targets would extend the countywide planning period horizon to 2031, 20 years beyond the 2011 comprehensive plan update deadline. The proposed new targets would be organized by the Regional Geography categories in *VISION 2040*. This new geography replaces the 4 planning subareas—SeaShore, East County, South County, and Rural Cities—which provided a framework for allocating the targets in the current CPPs.

¹ Under *VISION 2040*, King County jurisdictions are clustered in six “regional geographies”:

- Metropolitan Cities: Seattle, Bellevue
- Core Suburban Cities: Auburn, Bothell, Burien, Federal Way, Kent, Kirkland, Redmond, Renton, SeaTac, Tukwila
- Larger Suburban Cities: Des Moines, Issaquah, Kenmore, Maple Valley, Mercer Island, Sammamish, Shoreline, Woodinville
- Small Cities: Algona, Beaux Arts, Black Diamond, Carnation, Clyde Hill, Covington, Duvall, Enumclaw, Hunts Point, Lake Forest Park, Medina, Milton, Newcastle, Normandy Park, North Bend, Pacific, Skykomish, Snoqualmie, Yarrow Point
- Urban Unincorporated King County: all unincorporated within Urban Growth Area
- Rural Unincorporated King County: rural- and resource-designated areas outside UGA.

Where the current targets foster jobs-housing balance in the 4 subareas, the new target approach aims to achieve improved balance at the county level and within jurisdictions classified by Regional Geographies.

New growth targets for King County will move toward achieving the desired pattern of growth laid out in *VISION 2040*, while recognizing the long-term nature of the regional land use goals and the many challenges involved in moving away from past growth patterns.

Currently, CPP LU – 25c specifies a methodology for development of growth targets that springs from a subarea approach to allocating growth. Subsequent to the adoption of the 2002 targets and that policy, *VISION 2040* established a different approach based on Regional Geographies. This will require change to the text of several CPPs, especially LU-25c. The current staff proposal includes a CPP amendment to ensure that the CPPs text is consistent with the new targets and MPPs guidance on target methodology. In 2010, more comprehensive policy review will occur as part of the overall update of the entire CPPs document, and that may result in additional policy amendments to the CPP section that describes the growth targets process. Attachment A to this staff report shows a proposed CPP amendment.

SUMMARY OF PROPOSED METHODOLOGY

Beginning in mid-2008, a committee of policy and technical staff from the county and cities convened to develop the updated growth targets as a collaborative effort. The committee brought a set of draft working targets for large areas—the county as a whole and Regional Geographies—to GMPC at its April 15 meeting. Subsequent to that meeting, the committee began the process of allocating the Regional Geography growth numbers to each individual jurisdiction and unincorporated subarea. The methodology used to generate the draft targets included the following steps and factors:

- **Establish target time frame.** The year 2031 was established as the target horizon year, giving cities a full 20-year planning period from the GMA update deadline of 2011. The year 2006 was used as a base year because of the availability of complete data, including Buildable Lands estimates. Notably, the proposed target ranges do not account for annexations since 2006.
- **Establish county total for population growth.** Assuming the 4-county region as a whole plans for the mid-range projection of population, King County gets 42% of the regional population growth through 2031, consistent with *VISION 2040*. The result: growth of 567,000 people between 2000 and 2031 to a total population of 2,304,000. This number represents a small shift of population to King County compared with OFM projections.
- **Establish county total for job growth.** Using the PSRC forecast of employment for the region, King County gets 58% of the regional employment growth through 2031, consistent with *VISION 2040*. The result: growth of 441,000 jobs between 2000 and 2031 to a total of 1,637,000 jobs. This number represents a shift of about 50,000 jobs out of King County to the other three counties in the region compared with current forecasts.
- **Allocate population to Regional Geographies** within the county, based closely on *VISION 2040*, but also accounting for factors such as recent growth trends and anticipated annexation of major PAAs.
- **Convert population to total 2031 housing units.** Housing units are the element that jurisdictions can regulate and monitor. Also, *VISION 2040* calls for housing unit targets for each regional geography and jurisdiction. This is a change from the current King County CPPs, which set targets for households. Total housing stock needed in 2031 was calculated based on the following assumptions:

- assumed group quarter (institutions) rates, 2.5% of the year 2031 population;
- assumed future average household size, 2.26 persons per household, a decline of 0.14 pph from the 2000 Census;
- assumed vacancy rates to convert households into housing units, a countywide average of 4.3%.

Each of the assumptions was adjusted to fit the demographic and housing market differences between Regional Geographies.

- **Calculate housing growth need within Regional Geographies.** As a final step, the base year (2006) housing stock was subtracted from the total 2031 units to determine the net additional new housing units needed by 2031 in each Regional Geography.
- **Allocate employment growth to Regional Geographies** within the county, based closely on *VISION 2040*, and also accounting for employment changes since 2000.

The results of this process are shown in the tables below. Current growth target shares are shown for comparison.

Table 1: Population by County

	Population	Population	Reg'l Growth Strategy	Population Change
Year:	<i>2000</i>	<i>2030</i>	<i>2000-2040</i>	<i>2000-2031</i>
King	1,737,000	2,263,000	42.3%	567,360
Snohomish	606,000	950,100	26.1%	349,510
Pierce	700,800	1,050,900	23.0%	307,970
Kitsap	232,000	314,600	8.7%	116,760
Region	3,275,800	4,578,600	100%	1,341,600

Table 2: Jobs by County

	Jobs	Jobs	Share of Job Growth	Job Change
Year:	<i>2000</i>	<i>2030</i>	<i>2000-2040</i>	<i>2000-2031</i>
King	1,196,043	1,664,780	57.7%	441,372
Snohomish	217,673	350,001	20.1%	153,754
Pierce	261,695	367,248	17.1%	130,805
Kitsap	84,632	115,649	5.1%	39,012
Region	1,760,043	2,497,678	100%	764,943

Table 3: Population and Housing by Regional Geography in King County

Regional Geography	Share of Pop Growth	25-Year Population Change - Corrected	Housing Units Needed	Share of Hsg Units Needed	Share of Current 22-year H'hold Target
			<i>2006-2031</i>	<i>2006-2031</i>	<i>2001-2022</i>
Metro Cities	44%	206,100	103,100	43.1%	39.0%
Core Sub Cities	30%	139,700	72,900	30.5%	30.5%
Larger Sub Cities	13%	62,200	29,000	12.1%	11.4%
Smaller Sub Cities	5%	22,700	10,800	4.5%	6.8%
Uninc Urban	5%	25,300	18,100	7.6%	8.5%
Rural	3%	13,000	5,400	2.3%	3.8%
King County Total	100%	469,000	239,200	100.0%	100.0%
UGA only:			233,800	97.8%	96.2%

Table 4: Jobs by Regional Geography in King County

Data:	Share of Future Job Growth	Total New Jobs	Adjusted for 2000-06 growth	Total New Jobs	Share of Job Growth	Share of current Target
Year:	<i>2000-2040</i>	<i>2000-2031</i>		<i>2006-2031</i>	<i>2006-2031</i>	<i>2001-2022</i>
Metro Cities	45.2%	199,700	-	199,700	46.5%	45.7%
Core Sub Cities	37.8%	166,700	-	166,700	38.8%	38.8%
Larger Sub Cities	10.4%	45,700	3,000	42,700	9.9%	9.0%
Smaller Sub Cities	3.2%	14,000	4,400	9,600	2.2%	3.8%
Uninc Urban	2.7%	12,100	1,500	10,600	2.5%	2.7%
Rural	0.7%	3,200	3,600	-	-	-
King County Total	100.0%	441,400				
UGA Only:		438,200		429,300	100.0%	100.0%

Allocate housing units and jobs to individual jurisdictions. Within each Regional Geography, staff met to develop a proposed range of draft targets for housing and jobs for each jurisdiction. Criteria that were used to inform the allocation included the following:

- Countywide Planning Policies, including existing targets for the 2001-2022 planning period
- Data from the 2007 Buildable Lands Report, including development trends and land capacity
- Current population, jobs, and land area
- Local policies, plans, zoning and other regulations
- Local factors, such as large planned developments, and opportunities and constraints for future residential and commercial development
- “Fair share” distribution of the responsibility to accommodate future growth
- Location within the county.

The results of this process are shown in the tables—Proposed Housing Target Ranges and Proposed Job Target Ranges—which are attachments B and C, respectively, to this staff report. The tables indicate a range of potential targets for each city and unincorporated urban area. Within the range, some Regional Geographies may need to plan for the high or low end in order to reach the overall total for the grouping. As a point of comparison, existing targets for the 2001-2022 planning period are also shown. These targets will be replaced by the new targets once adopted.

Planning directors and other senior staff from each jurisdiction have begun a process of local policy maker review of the proposed target ranges. Input from this review will inform the work of the growth targets committee in the coming months to refine the target proposal. Tasks that remain include the following:

- Narrow the proposed target ranges to a single number of targeted additional housing units and a single number of additional jobs for each jurisdiction and unincorporated area
- Consider latest data on the regional economy and latest forecast data from PSRC and make changes to countywide totals as necessary
- Shift a portion of the unincorporated targets to cities to reflect major annexations that occurred from 2006 on, including land annexed to the cities of Renton, Auburn and Issaquah
- Consider adjustments to account for growth since the 2006 base year, with “credit” against the proposed targets for additions to housing and jobs that may have occurred from 2006 on

- Make additional adjustments to the proposed targets as needed to respond to direction from the Growth Management Planning Council.

NEXT STEPS

With GMPC approval of this approach, staff will proceed with the work of the growth targets committee itemized above, to finalize a growth targets update for GMPC consideration and possible action to adopt at its September 16 meeting. As with any other CPP amendment, once approved, growth targets must be ratified by the county council the cities.

STAFF RECOMMENDATION

Staff recommends that:

1. The GMPC direct staff to use the proposed methodology to prepare housing and job targets for King County by jurisdiction and unincorporated subarea;
2. The GMPC direct staff to prepare a set of final housing and job target numbers by jurisdiction for presentation to the Council at its September 2009 meeting;
3. The GMPC direct staff to proceed with final draft amendments to CPPs text to bring those policies into consistency with the proposed updated target methodology and regional policy framework.

APPLICABLE COUNTYWIDE PLANNING POLICIES

The following CPPs provide guidance to growth targets development and update. See associated proposed CPP amendment for detail and proposed language change.

<i>CPP FW – 12a</i>	}	See CPP amendment package
<i>CPP LU – 25a</i>		
<i>CPP LU – 25c</i>		
<i>CPP LU – 25d</i>		

CPP LU - 28

“Within the UGA, growth should be directed as follows: a) first, to Centers and urbanized areas with existing infrastructure capacity; b) second, to areas which are already urbanized such that infrastructure improvements can be easily extended; and c) last, to areas requiring major infrastructure improvements.”

Other CPPs, such as FW-14 (Urban Centers) and FW-12b (transportation investments should support targets) are indirectly relevant.

OTHER APPLICABLE PLANNING DOCUMENTS:

The Puget Sound Regional Council’s *VISION 2040* regional plan, adopted by the PSRC’s Assembly in April 2008, is an important source of policies that direct the target-setting process.

ATTACHMENTS

- Attachment A: Proposed CPP Text Amendments (DRAFT)
- Attachment B: Proposed Housing Target Ranges
- Attachment C: Proposed Job Target Ranges