

GROWTH MANAGEMENT PLANNING COUNCIL AGENDA ITEM
KING COUNTY, WASHINGTON

AGENDA TITLE: Housing and Job Growth Targets Status Report
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EXECUTIVE SUMMARY

This is a status report on the progress of the effort to revise housing and job growth targets for each King County jurisdiction, focusing on the methodology to be used to develop recommended target numbers. Key points in this process include:

- The Growth Management Planning Council is asked to consider 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*.
- When the targets were last prepared in 2002, policy language was adopted to codify the methodology and procedure; now, with *VISION 2040*, an amendment to both method and CPPs will be required.

BACKGROUND

Planning Requirements and Existing Growth Targets

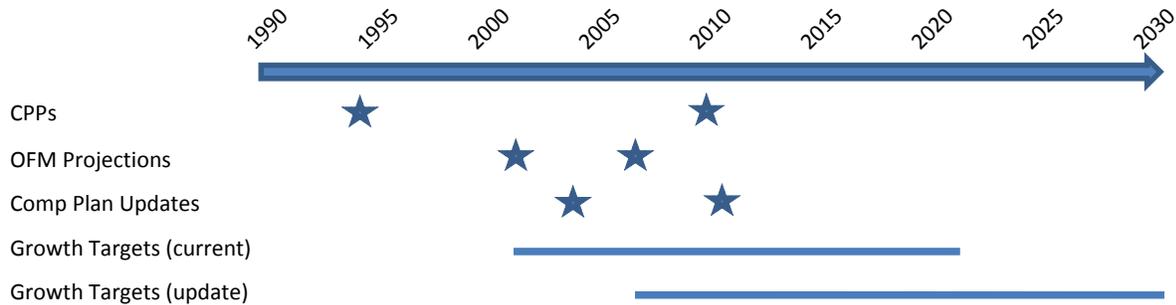
Under Washington State's GMA, King County and its cities must adopt comprehensive plans that accommodate 20 years of anticipated population and employment growth. Plans must provide for land uses and densities, capital facilities and transportation infrastructure that are sufficient to meet future needs. 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 and jobs each jurisdiction plans to accommodate during the current Growth Management period. The targets are based on the OFM population projections along with employment forecasts produced by the Puget Sound Regional Council (PSRC). 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:

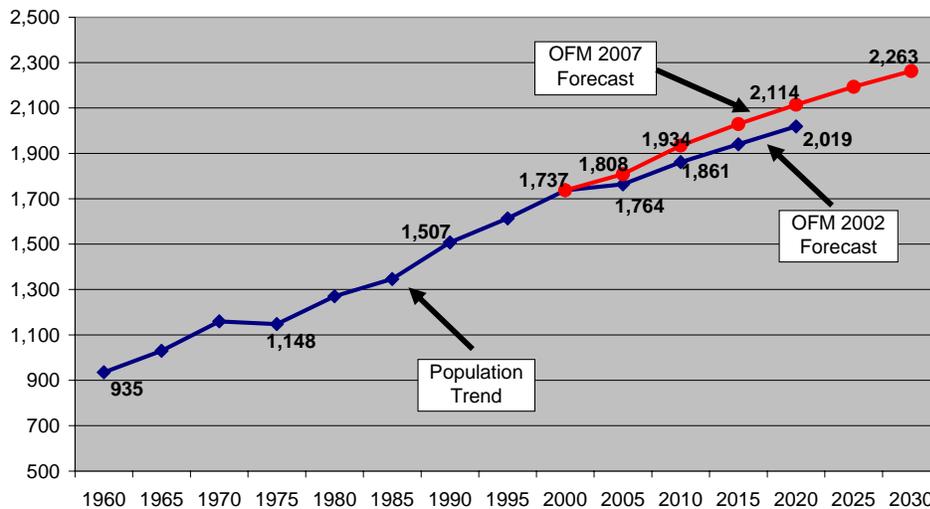


New OFM Forecasts and New Policy Guidance from Vision 2040

OFM 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 their 2002 forecast predicted. Overall, 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 we rely on the medium or “most likely” forecast number. The graph below shows the new projection compared with historical trends and compared with the 2002 OFM projection on which our current targets are based.

The latest employment forecasts released by PSRC in 2006 show growth in the county, over this same 25-year period, of nearly 440,000 jobs to a total of 1.7 million jobs in 2031. This is also an increase over the current job targets which anticipate a 22-year increase of 289,000 jobs in King County.

OFM Population Trends/Forecasts for King County
Numbers in thousands



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 bring them into consistency with the 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 by size 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 Suburban Cities)
- **Increasing** the amount of growth targeted to other Large Cities
- **Decreasing** the amount of growth targeted to Urban unincorporated areas, Rural designated unincorporated areas, and to small cities
- Achieving a greater **jobs-housing balance** within the region

PROPOSED NEW GROWTH TARGETS, 2006 - 2031

To guide the required 2011 update of comprehensive plans, the GMPC should 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 of *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 out another 9 years, with a horizon of 2031, 20 years beyond the 2011 comprehensive plan update requirement. The proposed new targets would be organized by the Regional Geography categories in *VISION 2040*, yet would still strive for the balance between jobs and housing embodied in the CPPs.

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 2002 targets and that policy, *VISION 2040* establishes a different approach based on Regional Geographies. This will require change to the text of several CPPs, especially LU-25c. Staff proposes to provide CPPs amendments to ensure that the CPPs text is consistent with the new targets and MPPs guidance on target methodology during 2009. 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.

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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.

SUMMARY OF PROPOSED METHODOLOGY

A committee of policy and technical staff from the county and cities are developing draft working targets for large areas. The resulting figures cover population and employment growth for the county as a whole, as well as for each “regional geography” grouping in the county per *VISION 2040*. The methodology used to generate the draft working 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. Final adopted targets may use a later base year, thus reducing the resulting target numbers.
- **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.
- **Establish county total for job growth.** Using the PSRC forecast of employment for the region, King County gets 58% of the regional job 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.
- **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 housing unit need.** Housing units are the element that jurisdictions can regulate and monitor. Housing need in 2031 was calculated based on assumed group quarters rates, house-hold size, and vacancy rates. Subtract current (2006) housing stock to determine housing growth needs. *VISION 2040* calls for housing unit targets for each regional geography and jurisdiction.
- **Allocate jobs to regional geographies** within the county, based closely on *VISION 2040*, and 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:	2000	2030	2000-2040	2000-2031
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
			2006-2031	2006-2031	2001-2022
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:	2000-2040	2000-2031		2006-2031	2006-2031	2001-2022
Metro Cities	44.7%	197,500	-	197,500	46.0%	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	3.2%	14,300	1,500	12,800	3.0%	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%

The proposed targets totals for King County as a whole and for each Regional Geography within the county represent the *draft* product of the ongoing work-in-progress of the GMPC's inter-jurisdictional staff team. Over the next several months, staff will continue technical analysis and policy discussions with regional and local officials. Issues will include the potential impact of the current recession on long-range job and population growth projections along with refining a set of countywide and local factors to be considered in guiding city-level target allocations. Based on this work, the complete set of draft growth targets to be presented at the GMPC's July meeting may diverge somewhat from the figures presented above in Tables 1-4.

NEXT STEPS

After GMPC approval of this approach, staff will prepare draft housing growth and job growth allocations for each jurisdiction within each regional geography. A number of allocation criteria will inform the cities regarding factors to guide the allocation within each geographic cluster.

In coming months, cities will review and shape a range of potential future growth scenarios. Our goal is to bring recommended draft targets to the GMPC in July 2009, with a vote for approval possible at the GMPC's September 2009 meeting. Once approved, growth targets must be adopted by the county council and ratified by the cities.

STAFF RECOMMENDATION

Staff recommends that:

1. The GMPC approve the methodology to be used to prepare housing and job targets for King County by regional geography;
2. GMPC direct staff to prepare a set of draft housing and job target numbers by jurisdiction for presentation to the Council at their July 2009 meeting;
3. Revise CPPs text to account for Vision2040: provide CPPs amendments to ensure that the CPPs are consistent with the new targets and MPPs guidance on target methodology. More comprehensive policy review will occur as part of the overall CPPs update in 2010; that may result in additional policy amendments.

APPLICABLE COUNTYWIDE PLANNING POLICIES:

CPP FW – 12a

“All jurisdictions within King County share responsibility to accommodate the 20-year population projection and job forecast. The population projection shall be assigned to the four subareas of King County proportionate with the share of projected employment growth. Anticipated growth shall be allocated pursuant to the following objectives:

- a. To ensure efficient use of land within the UGA by directing growth to Urban Centers;
- b. To limit development of Rural areas;
- c. To protect designated resource lands;
- d. To ensure efficient use of infrastructure;
- e. To improve jobs / housing balance on a subarea basis;
- f. To promote a land use pattern that can be served by public transportation; and
- g. To provide sufficient opportunities for growth within the jurisdictions.”

CPP LU – 25a

“Each jurisdiction shall plan for and accommodate the household and employment targets established pursuant to LU – 25c and LU – 25d. This obligation includes: (a) ensuring adequate zoning capacity; (b) planning for and delivering water, sewer, transportation and other infrastructure, in concert with federal and state investments and recognizing where applicable special purpose districts; and (c) accommodating increases in household and employment targets as annexations occur.

The targets will be used to plan for and to accommodate growth within each jurisdiction. The targets do not obligate a jurisdiction to guarantee that a given number of housing units will be built or jobs added during the planning period.”

CPP LU – 25c

“The target objectives identified in FW – 12a shall be realized through the following methodology for allocating household targets:

- a. Determine the additional population that must be accommodated countywide by calculating the difference between the most recent Census count and the state Office of Financial Management population projection for the end of the 20-year planning period;
- b. Subtract a percentage from that number to represent the amount of growth that is assumed to occur in the unincorporated rural area;
- c. Assign proportions of the urban population growth to each of the four subareas (SeaShore, East, South, Rural Cities) based on the proportion of future employment growth forecasted for each of those subareas by the Puget Sound Regional Council;
- d. Convert the estimated projected population for each subarea to an estimated number of households, using projected average household sizes that reflect the variation among those subareas observed in the most recent Census;
- e. Allocate a household target to individual jurisdictions within each subarea, based on FW-12a and considering the following factors: availability of water and capacity of sewer system, remaining portions of previously adopted household targets, presence of urban centers and activity areas within each jurisdiction, availability of zoned development capacity in each jurisdiction, and the apparent market trends for housing in the area.
- f. Jurisdictions shall plan for household targets as adopted in Table LU-1; and
- g. Monitoring should follow the process described in policy FW-1.”

CPP LU – 25d

“The target objectives identified in FW – 12a shall be realized through the following methodology for allocating employment targets:

- a. Determine the number of jobs that must be accommodated in each of the four subareas of King County in accordance with the most recent PSRC job estimates and forecasts for the 20-year planning period. To account for uncertainty in job forecasts, establish a range of new jobs that must be accommodated in each subarea. Unless exceptional circumstances dictate, the range should be 5% on either side of the PSRC forecast.
- b. For each subarea, determine the point within the range upon which jurisdictions within the subarea will base their targets and allocate employment growth targets to individual jurisdictions based on consideration of: the PSRC small-area forecasts; the presence of urban centers, manufacturing/industrial centers and activity areas within each jurisdiction; availability of zoned commercial and industrial development capacity in each jurisdiction; and access to transit as well as to existing highways and arterials.
- c. Jurisdictions shall plan for employment targets as adopted in Table LU-1.”

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.