

Purpose

This memorandum is to give the Board of Clark County Commissioners (Board) background information on the pending Clark County 20-Year Comprehensive Growth Management Plan update.

In a July 17th work session, Community Planning will present to the Board topics such as why do we plan, history of planning in Clark County, What have we assumed/did we get it right?, GMA requirements, Board's role in planning and the next steps.

Introduction

The 1990 Growth Management Act (GMA) requires the county to "...review, at least every eight years, its designated urban growth area, and the densities permitted within both the incorporated and unincorporated portions of each urban growth area (RCW 36.70A.130(a))." Such revision shall be made "...to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period." Clark County adopted a comprehensive plan in 1994, 2004 and 2007. The next update cycle requires the county to review, revise and update, if necessary, by June 30, 2016.

Background

In 1994, the county adopted the first comprehensive plan, which resulted in a total of 41,229 acres, or 64.42 square miles, of urban growth areas. The plan was remanded by the Western Washington Growth Management Hearings Board for inconsistency between population projections and capital facilities planning. After additional work, the county revised the comprehensive plan in 1997 to comply with the hearings board findings.

By 1999, the second comprehensive plan effort was launched. The state Office of Financial Management (OFM) projected a 20-year Clark County population increase to between 453,280 and 571,061 people. As adopted, the county's 2004 plan assumed an annual growth rate of 1.69 percent, resulting in a projected mid-range population forecast of 517,741. Urban growth areas were expanded by 6,124 acres, or 9.57 square miles. Fourteen appeals challenging the 2004 plan were filed with the hearings board. The appeals focused, in part, on a last-minute reduction in the assumed growth rate, moving it from 1.83 percent to 1.69 percent.

In 2005, a new Board found the growth rate assumed in the 2004 plan was unrealistically low based on historic trends, and agreed to reopen the plan. Relying on county assurances for an increased local process, the city of Battle Ground and development petitioners withdrew their appeals. On Nov. 23, 2005, the hearings board issued its amended Final Decision and Order in the case of *Building Association of Clark County v. Clark County*, WWGMHG No. 04-2-0038c. The decision upheld the 2004 plan.

Earlier, in June 2005, the Board of County Commissioners launched a two-year update process that culminated in adoption of a 2007 Comprehensive Plan amendment. The plan assumed a 2.2 percent growth rate for the first six years and a 2.0 percent growth rate for the remainder of the 20-year plan. Those assumptions resulted in a population forecast of 584,310, and urban growth areas were expanded by 12,023 acres.

The 2007 plan was appealed. The appellants were, in order, Karpinski, Clark County Natural Resources Council, and Futurewise. They were arguing that the county had erroneously moved 4,351 acres from

agricultural designation to a non-resource designation, and included those lands within urban growth areas. As a result of the appeals process, the rezoning of about 1,500 acres was ruled invalid, and those lands were removed from urban growth areas and again designated as agricultural lands. All 1,500 acres had been zoned for employment lands. The 2013 vacant lands inventory shows that there are 6,696 acres of land zoned for employment opportunity. The Washington Supreme Court ruled in March 2013 that the Court of Appeals should not have ruled on the annexation by the Cities of Ridgefield and Camas of lands that had been “designated” by the 2007 plan.

Planning assumptions

Much information goes into making decisions during a comprehensive plan update. GMA requires Clark County and its cities to monitor growth patterns and use information from new development as well as consideration of “reasonable measures” to revise and update their growth plans, if necessary (RCW 36.70A.215). In addition, planning assumptions for growth rate and jobs/acre¹ are used to determine the number of acres to allocate to population and job growth. Planning assumptions are based on OFM numbers and direction from the Board of County Commissioners.

Planning assumptions for the 1994, 2004 and 2007 plan updates are shown in Table 1.

Table 1: Planning Assumptions: 1994, 2004, and 2007

| Assumption | 1994 | 2004 | 2007 |
|---------------------------------------|--|--|--|
| OFM Range | 356,873 – 416,071 | 453,280 – 571,061 | 476,692 – 625,316 |
| 20-Year Population Projections | 416,071 | 517,741 | 584,310 |
| Planned population growth | 123,000 | 147,278 | 192,635 |
| Urban/Rural population growth split | 81/19 | 90/10 | 90/10 |
| Assumed Annual population growth rate | 2.35% | 1.69% | 2.2% (2004-2010), 2% (2011-2024) |
| Housing type ratio | 60% single family, 40% multifamily | 75% single family, 25% multifamily | 75% single family, 25% multifamily |
| Persons per Household | 2.33 | 2.69 | 2.59 |
| New jobs | 58,100 | 84,203 | 138,312 |
| Average jobs to population ratio | 1:2.11 | 1:1.75 | 1:1.39 |
| Market Factor | 25%, residential and commercial; 50%, industrial | 0%, residential; 25%, business park and commercial; 50%, industrial | 10%, residential; 0% for commercial, business park and industrial |

Source: 20-Year Comprehensive Growth Management Plan

2013 Vacant lands inventory

To determine how much land should be added during an update to accommodate projected growth, the county must assess how much buildable land exists compared with projected needs. The Department of GIS recently completed running its annual vacant lands model. The 2013 results indicate urban growth areas contain the following vacant buildable lands:

- 8,037 net residential acres with a capacity of 147,742 residents.
- 3,109 net acres of commercial lands with employment capacity of 62,180, at 20 jobs per acre.

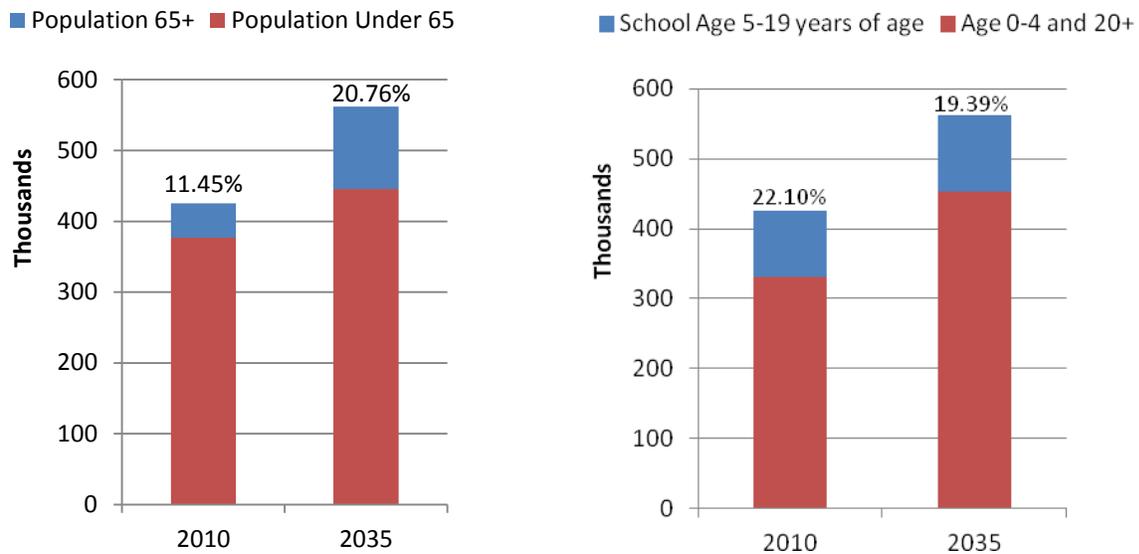
¹ Jobs/acre assumption is not a GMA requirement. GMA does require that we have enough land for jobs.

- 3,587 net acres of industrial land with an employment capacity of 32,283, at 9 jobs per acre.
- Employment capacity of vacant lands in all county urban growth areas is 94,463²

Clark County demographic trends

Several changes (figures 1 and 2 below) in demographic trends indicate a need to review and reconsider planning assumptions for annual population growth forecasts and the number of commercial and industrial jobs per acre. A review will better position the county to analyze what the assumptions mean for OFM’s new 2035 growth population forecast.

Figure 1. Percent of Population Over Age 65. Figure 2. Percent of Population Aged 5-19



Source: OFM Growth Management population projections for counties: 2010 to 2040

These changes include (Source: OFM Growth Management population projections for counties: 2010 to 2040):

- Population aged 65 and over is increasing: 11.45% of Clark County population in 2010; 20.76% by 2035
- Population ages 5 to 19 is decreasing: 22.10% of Clark County population in 2010; 19.39% by 2035
- Net-migration (population in and out) to Clark County has slowed, from a high of 10,476 in 1997-98; averaging over 7,900 a year between 1995 and 2005; slowing down to an average of about 2,500 a year between 2005 to 2012 (Source: OFM Migration Population, population change, births, deaths, and residual migration 1960 to 2012 by county by year).
- Number of residential building permits has dropped: 5,100 permits issued in 1994; 958 in 2011; 1,523 in 2012) (Source: Clark County Department of GIS)

² Total potential jobs not captured by the vacant lands model increase the capacity for jobs on vacant lands by 16,775 (jobs from redevelopment), and 6,600 public sector jobs, thus increasing the total potential job capacity from 94,458 to 117,833.

Clark County population and employment projections

The current Comprehensive Growth Management Plan population projections estimate there will be 584,310 persons in Clark County by 2024. In 2012, OFM revised the 2035 projections using the 2010 U.S. Census as a base year to reflect the 2007 economic recession, and OFM’s medium population estimate for Clark County for 2035 is 562,207, just slightly slower than the existing 2024 population projection. Table 2 provides a summary of population projections.

Table 2: Summary of Population Projections for 2024, 2035 and 2040.

| | Clark County GMA Comp Plan (2007) | OFM Medium (2012) | OFM Medium (2012) |
|---|---|-------------------------|-------------------------|
| | 2024 | 2035 | 2040 |
| Base Year | 2004 | 2010 | 2010 |
| Population | 584,310 | 562,207 | 585,137 |
| Household | 225,602 | 217,068 | 225,922 |
| Population Annual Growth Rate | 2% overall - 2.2% for first six years | 1.12 | 1.06 |
| Employment | 230,000 | 168,700 | 175,600 |
| Jobs/Household | 1:1.01 | 1:0.78 | 1:0.78 |
| Employment Annual Average Growth Rate from 2010 | 2.0% | 1.2% | 1.1% |

Source: 20-Year Comprehensive Growth Management Plan, OFM and Washington Employment Security Department

According to an analysis by the Washington Employment Security Department, Regional Economist Scott Bailey, the OFM population growth projections imply that employment will grow to 175,600 in 2035 from the current (as of 2012). For this scenario, he assumed the following:

- Population is based on the OFM intermediate growth projections of 585,137 persons using a 1.1% average annual population growth rate.
- January 2013 unemployment rate in Clark County was 11.4%.
- County labor force will be roughly 266,000 in 2035.
- The 2035 unemployment rate will be 5.5 percent, there will be about 251,370 employed county residents.
- If the current 32% of resident workers travel outside of Clark County, then there will be about 170,932 non-farm jobs in the county.
- If the number of resident workers traveling outside of Clark County shrinks to 22.5%, then there would be approximately 194,912 jobs in the county. The additional jobs depend largely upon land use and transportation policies, and the amount of land that is zoned and serviced for industrial and commercial uses, free of impediments like wetlands.

The 2035 OFM population projections

As stated above, OFM cooperates with local jurisdictions to prepare and periodically update state and county population projections for growth management planning purposes. OFM provides a low, medium and high series of projections based on particular assumptions. The medium series is considered the most likely because it is based on assumptions validated by past and current information.

Given the recent economic downturn, changing demographics and lower than anticipated growth rates, OFM published new, lower growth projections for 2035 for Washington counties. The new 2035 OFM medium population projection for Clark County is contained in Table 3. Community Planning is proposing to use this updated OFM 2035 medium population projection in a Comprehensive Plan update for 2016.

Table 3 allows comparisons of the OFM projections to prepare for scoping of a 2016 Comprehensive Growth Management Plan update. The new 2035 employment and household forecasts are based on the population projection.

Table 3. Clark County Demographics; Base Year and Comparative Forecasts

| | Clark County GMA Comp Plan | OFM Low | OFM Medium | OFM High |
|---|----------------------------------|------------|---------------|-------------|
| | 2024 | 2035 | 2035 | 2035 |
| Base Year | 2004 | 2010 | 2010 | 2010 |
| Population | 584,310 | 459,617 | 562,207 | 681,135 |
| Households* | 225,602 | 177,458 | 217,068 | 262,986 |
| | 2% overall - | | | |
| Average Annual Exponential Growth Rate for Population | 2.2% for first six years | 0.31% | 1.12% | 1.88% |
| Employment | 230,000 | 137,900 | 168,700 | 204,400 |
| Jobs/Household | 1:1.01 | 1:0.78 | 1:0.78 | 1:0.78 |
| Employment Annual Average Growth Rate from 2010 | 2.0% | 0.4% | 1.2% | 1.9% |

Source: 20-Year Comprehensive Growth Management Plan, OFM, and Washington Employment Security Department

Note: *based on assumption of 2.59 people per household

Timeline

A proposed draft timeline for the Comprehensive Growth Management Plan Review is in Table 6 below:

| Table 6. Proposed Comprehensive Growth Management Plan Review Timeline and Topics | |
|--|---|
| BOCC Meeting | |
| July 17 | Kickoff: purpose, background, next steps |
| August | Begin coordination with local jurisdictions on focus of the plan update |
| January 2014 | Present scope of work, and begin working on the 2015 Buildable Lands Report |

NEXT STEPS

Community Planning staff will work with local jurisdictions to:

- Review Washington State Department of Commerce expanded checklist for comprehensive plans to help determine actions needed to update the Comprehensive Growth Management Plan by 2016.
- Reorganize the Comprehensive Growth Management Plan document to make it more simple, clear and readable. Review countywide planning policies.
- Develop a scope of work with timelines and a public participation plan.