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Mrs. Joyce McNamee, Chair  
Spokane County Planning Commission  
City of Spokane, Planning Services Department  
1026 W. Broadway Ave.  
Spokane, Washington 99201

Dear Char McNamee and Planning Commissioners:

**Subject: Comments for the January 26, 2012 Public Hearing on the on the 10 year Urban Growth Area (UGA) update**

Sent via email to: [vmerriott@spokanecounty.org](mailto:vmerriott@spokanecounty.org)

Thank you for the opportunity to comment on the on the 10 year Urban Growth Area (UGA) update. Our mission at Futurewise is to promote healthy communities and cities while protecting working farms, working forests, and shorelines for this and future generations. Futurewise has members across Washington State, including Spokane County.

## Summary

The Growth Management Act (GMA) limits the size of urban growth areas to save taxpayers and ratepayers money, encourage housing growth in cities, protect rural and resource lands, protect the environment, and promote healthy lifestyles. The *Regional Land Quantity Analysis for Spokane County Summary Report* documents that the urban growth areas in Spokane County are larger than they need to be, with an excess of capacity equaling 4,259 people.<sup>1</sup> Spokane County should right size its urban growth areas to maximize their benefits to taxpayers, ratepayers, and residents. A well planned urban growth area for Spokane County would be smaller than the existing one. None of the proposed maps scenarios achieves this. The proposed urban growth area expansions are unneeded, will increase costs for taxpayers and ratepayers, and violate the GMA. We urge to reject the expansions and adopt a right-sized UGA.

## Growth Management Act Requirements for Urban Growth Areas

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<sup>1</sup> Planning Technical Advisory Committee, *Regional Land Quantity Analysis for Spokane County Summary Report* p.1 (October, 2010 Amended May, 2011) and accessed on Oct. 11, 2011 at: <http://www.spokanecounty.org/data/buildingandplanning/lrp/documents/PTC%20LOA%20report%202010.pdf>.

Washington's GMA requires county comprehensive plans to designate urban growth areas in which urban growth is encouraged and outside of which urban growth is prohibited.<sup>2</sup> Urban growth areas must be designated around all incorporated cities and towns and may include additional land if it is needed to accommodate the projected population, employment, public facilities, and other urban uses.

The size of the urban growth area is determined by the population projection.<sup>3</sup> The Washington State Office of Financial Management prepares a set of population projections for each county every five years or so. They include low, medium, and high projections. The county, in consultation with the cities and towns, selects a twenty-year population projection from this range. The urban growth areas in the county cannot exceed the land needed to accommodate that projection including jobs and other needs, "plus a reasonable land market supply factor."<sup>4</sup>

"[A] market [supply] factor represents the estimated percentage of net developable acres contained within a UGA that, due to idiosyncratic market forces, is likely to remain undeveloped over the course of the twenty-year planning cycle."<sup>5</sup> For example, a person may own five acres of land with a house on it within the urban growth area that is zoned for four homes per acre, but may choose not to develop it over the next twenty years because they want to graze their horses on it or just enjoy the open space around their home.

Urban growth areas must be reviewed at least every ten years, although a recent amendment to the Growth Management Act has granted a one-time extension to this deadline. As part of the ten year review, the "comprehensive plan must be revised to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period."<sup>6</sup>

## Why are Urban Growth Areas Required?

The GMA requires urban growth areas and limits their size for many reasons. **One of the most important is that compact urban growth areas (UGAs) save taxpayers and ratepayers money.** In a study published in a peer reviewed journal, John Carruthers and Gudmaundur Ulfarsson analyzed urban areas throughout the United States including Spokane County.<sup>7</sup> They found that the per capita costs of most public services declined

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<sup>2</sup> RCW 36.70A.110(1), *Thurston County v. Western Washington Growth Management Hearings Bd.*, 164 Wn.2d 329, 348 – 49, 190 P.3d 38, 47 (2008).

<sup>3</sup> *Thurston County v. Western Washington Growth Management Hearings Bd.*, 164 Wn.2d 329, 352, 190 P.3d 38, 49 (2008).

<sup>4</sup> *Id.*

<sup>5</sup> *Thurston County*, 164 Wn.2d 329, 352, 190 P.3d 38, 49.

<sup>6</sup> *Thurston County*, 164 Wn.2d 329, 348, 190 P.3d 38, 47.

<sup>7</sup> John Carruthers and Gudmaundur Ulfarsson, *Urban Sprawl and the Cost of Public Services* 30 *Environment and Planning B: Planning and Design* 503, 511 (2003). Accessed on Oct. 11, 2011 at: <http://www.mundyassoc.com/publications/urbspra.pdf>

with density and increased where urban areas were large.<sup>8</sup> **Compact urban growth areas save taxpayers and ratepayers money.**

**Urban growth areas encourage housing growth in cities and protect rural and resource lands.** To examine the effect of King County, Washington's urban growth areas on the timing of land development, Cunningham looked at real property data, property sales data, and geographic information systems (GIS) data. These records include 500,000 home sales and 163,000 parcels that had the potential to be developed from 1984 through 2001.<sup>9</sup> Cunningham concluded that "[t]his paper presents compelling evidence that the enactment of a growth boundary reduced development in designated rural areas and increased construction in urban areas, which suggests that the Growth Management Act is achieving its intended effect of concentrating housing growth."<sup>10</sup> He also concluded that by removing uncertainty as to the highest and best use of the land that it accelerated housing development in King County.<sup>11</sup> This study was published in a peer reviewed journal.

Reducing development in rural areas and natural resource lands can also have significant environmental benefits, such as protecting water quality and working farms and forests.

One of the most controversial issues related to urban growth areas is whether the restricted land supply causes increases in housing costs. Carruthers, in another peer reviewed study, examined the evidence for the Portland urban growth area and concluded that it was not increasing housing costs because the city's high density zoning allowed the construction of an abundant housing supply.<sup>12</sup>

**Urban growth areas help keep our existing cities and towns vibrant and economically desirable.** In a peer reviewed study, Dawkins and Nelson found that the city of Yakima's share of the metropolitan housing market increased after adoption of the GMA.<sup>13</sup> This and other measures showed that center cities in states with growth management laws attract greater shares of the metropolitan area's housing market than center cities in states without growth management aiding center city revitalization.<sup>14</sup> This reduces the tendency to move out of existing center cities.

**Urban growth areas promote healthy lifestyles.** Aytur, Rodriguez, Evenson, and Catellier conducted a statistical analysis of leisure and transportation-related physical

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<sup>8</sup> *Id.* at 518.

<sup>9</sup> Christopher R. Cunningham, Growth Controls, Real Options, and Land Development, 89 *The Review of Economics and Statistics* 343, 343 (2007).

<sup>10</sup> *Id.* at 356.

<sup>11</sup> *Id.* at 356 – 57.

<sup>12</sup> John I. Carruthers, *The Impacts of State Growth Management Programmes: A Comparative Analysis* 39 *Urban Studies* 1959, 1976 (2002). Carruthers included Washington's GMA in his analysis, but concluded that it was too early to tell if it was successful since it had only been in place for seven years in the data he analyzed, but he believed the GMA had promise if "consistently enforced." *Id.* at 1977.

<sup>13</sup> Casey J. Dawkins & Arthur C. Nelson, *State Growth Management Programs and Central-City Revitalization*, 69 *Journal of the American Planning Association* 381, 386 (2003).

<sup>14</sup> *Id.* at 392 – 93 (2003).

activity in 63 large metropolitan statistical areas, including Seattle, Tacoma, and Spokane from 1990 to 2002.<sup>15</sup> Their peer reviewed study found a positive association between residents' leisure time physical activity and walking and bicycling to work and "strong" urban containment policies such as those in Washington State.<sup>16</sup>

### **The Spokane County Urban Growth Areas are Oversized and Should be Right Sized**

**As we have seen, the Washington State Supreme Court has held that a "UGA designation cannot exceed the amount of land necessary to accommodate the urban growth projected by OFM, plus a reasonable land market supply factor."<sup>17</sup> According to Spokane County's own data, there is no need to expand the urban growth area; in fact it is larger than it needs to be. This conclusion is documented by the *Regional Land Quantity Analysis for Spokane County Summary Report* which concluded that:**

The County's population projection expects the addition of 113,541 people in the County's UGA between the years 2010 and 2031. The current UGA has the capacity to include 117,800 additional people. This result shows that the increase in population can be accommodated within the current UGA and that there is an additional excess of capacity equaling 4,259 people.<sup>18</sup>

Additionally, in sizing the urban growth area, the county used a 30 percent market factor.<sup>19</sup> Market factors are not required, but the Growth Management Act, as we noted above, allows the county to use a reasonable market factor. **What a market factor does is allow a county to make an urban growth area larger than it needs to be.** A 30 percent market factor means the land in the urban growth area that can be developed for the new homes is 30 percent larger than necessary to build the needed homes.

Market factors have been studied in other counties. To determine theirs, Snohomish County hired The Gilmore Research Group to survey owners with developable land and asked them the relevant question when determining a market factor: if they would develop their land in the next twenty years. This survey found that "[a]bout 21% of all respondents indicated that they would be unlikely or very unlikely to have their parcels developed in

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<sup>15</sup> Semra A. Aytur, Daniel A. Rodriguez, Kelly R. Evenson, & Diane J. Catellier, *Urban Containment Policies and Physical Activity: A Time-Series Analysis of Metropolitan Areas, 1990–2002* 34 *American Journal of Preventive Medicine* 320, 325 (2008).

<sup>16</sup> *Id.* at 330.

<sup>17</sup> *Thurston County v. Western Washington Growth Management Hearings Bd.*, 164 Wn.2d 329, 351 – 52, 190 P.3d 38, 48 – 49 (2008) (emphasis added).

<sup>18</sup> Planning Technical Advisory Committee, *Regional Land Quantity Analysis for Spokane County Summary Report* p.1 (October, 2010 Amended May, 2011).

<sup>19</sup> *Id.* at p. 7.

the next 20 years.”<sup>20</sup> “A lower percentage of owners of vacant land (17%) compared to the owners of partially used or redevelopable properties (23%) percent indicated that it would be unlikely or very unlikely that their parcels would be available for development anytime within the next 20 years.”<sup>21</sup> “A lower percentage of owners of parcels designated for multi-family residences, mixed use, or commercial/industrial uses (17%) compared to owners of parcels designated for single family residences (24%) indicated their properties would be unlikely or very unlikely to be available for development over the next 20 years.”<sup>22</sup>

This data shows that a reasonable market factor based on real world data is from 17 to 24 percent depending on the mix of vacant and redevelopable land and the mix of commercial land, multi-family land, mixed-use land, and single-family residential land within the urban growth area. **We believe that a market factor 20 to 25 percent is reasonable and defensible in Spokane County.**

We urge the Planning Commission to recommend that the current Spokane County urban growth areas be resized so that they are not larger than they need to be. In sizing the urban growth areas, we recommend a 20 to 25 percent market factor. Right sizing the urban growth areas will save taxpayers and ratepayers money, protect rural areas, protect working farms, protect the environment, provide opportunities for the housing we need over the next twenty years, and contribute to healthy lifestyles.

However, even with the generous market factor the county has chosen for calculation, none of the proposed additions to the Urban Growth Area are needed to meet future growth demands in Spokane county. Adding them to the Urban Growth area would be inconsistent with state law and costly to taxpayers and rate payers, furthermore it would add strain to existing public services like police, fire, and education to locate more growth beyond our already too large Urban Growth Area.

To provide a visual approximation of just how much underdeveloped vacant land already exists in the Urban Growth area we are attaching a map we created using data from Spokane County. Also attached is our previous comment letter on the Scope of the Draft Supplemental Environmental Impact Statement for more detailed reference.

Thank you for considering our comments. If you require additional information please contact me at telephone (509) 838-1965 or e-mail [Kitty@futurewise.org](mailto:Kitty@futurewise.org)

Sincerely,

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<sup>20</sup> The Gilmore Research Group, *Urban Land Availability Survey of Snohomish County Landowners: Prepared for Jones & Stokes and Snohomish County Planning and Development Services* p. 3 (June 14, 2005). Accessed on Oct. 11, 2011 at: [http://www.co.snohomish.wa.us/documents/Departments/PDS/10\\_Year\\_Update/Demog/JonesStokesFinalReport6-14-05.pdf](http://www.co.snohomish.wa.us/documents/Departments/PDS/10_Year_Update/Demog/JonesStokesFinalReport6-14-05.pdf)

<sup>21</sup> *Id.*

<sup>22</sup> *Id.* at p. 4.

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Kitty Klitzke  
**Eastern Washington Program Director**