June 18, 2002

The Growth Management Act (GMA) After More than 10 Years: Another Look & A Response to Criticisms

April 2002

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The mission of 1000 Friends of Washington is to promote healthy communities and cities while protecting farmland and forests for this and future generations.

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Growth Management Act Successes

Growing old has at least one advantage: perspective. After spending about half of my career planning in Washington State before the Growth Management Act (GMA) and about half of my career planning after the GMA, I can tell you that planning with the GMA is much better. Let's go back to the last century and remember what standardless planning was like.[1]

- Local governments could not adequately address the serious problems caused by rapid growth in the 1980s. This included traffic congestion, sprawl, adverse effects on streams, wetlands, wildlife habitats, and a loss of forests and farms.
- Local governments lacked the funding needed for public facilities and services required by growth and lacked methods for obtaining contributions from new developments for the capital facilities and services they need. For example, impact fees were illegal in Washington State. The tools were limited to raising taxes and the Washington State Environmental Policy Act (SEPA), although in fairness we did have federal grant funding at that time. SEPA has serious problems as public finance tool in part due to the limitation of RCW § 82.02.020.
- Local governments could not adequately address the serious economic problems of rural Washington. These problems have their roots in the double dip recession of the early 1980s.[2]
- For all of the above reasons, we were losing our quality of life. Our natural environment was being destroyed; the lack of public facilities and services meant services were declining.
- There was no consistency between plans and development regulations.
- No standards for planning.
- No requirement to house low- and moderate-income families.
- No requirement to consider economic development needs.
- No requirement to consider the comprehensive plans of neighboring cities and counties or to be consistent with those plans.
- No requirement for state agencies to comply with city and county plans, except for shoreline master programs.
- No requirement for local governments to consider their impacts on state and federal highways.
- No requirement to figure out your community's public facility and service needs and how to pay for them.
- No standards for permitting.

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[1] You can see for your self what planning was like in the bad old days. The old planning enabling statutes still exist. Go to Chapter 35.63 RCW for non-code cities and towns, Chapter 35A.63 RCW for code cities, and Chapter 36.70 RCW for counties and cities that chose to use that authority. Also, for an excellent history of why the GMA was enacted and its enactment see Richard L. Settle & Charles G. Gavigan. *The Growth Management Revolution in Washington: Past, Present, and Future*, 16 University of Puget Sound Law Review 867 (1993).
[2] Labor Market and Economic Analysis Branch. *Studies in Industry and Employment: A Labor Market and Economic Comparison of Rural and Urban Washington* 13 (Olympia, WA: Washington State Employment Security Department, February 2001).

- Lots of processing for each permit, but little planning. Many cities and counties made up the rules as they processed permits, delaying permit decisions. This case by case decision making also lead to adverse impacts on neighbors and the environment because the local governments lack the resources to effectively analyze and lessen the adverse impacts anew for each development application.
- There were few standards for appeals of plans, development regulations, and permits. Substantive due process was frequently invoked by the courts for land use law cases.[3]

And I could go on and on. But that is ancient history. After all, 2002 is the 12th birthday of the GMA. What have those 12 years brought us? From my perspective, many benefits and I have a list.

- The GMA helped us accommodate the state's largest population increase ever, over a million people since the GMA's adoption in 1990.[4] Washington was the seventh fastest growing state during the 1990s in terms of total population growth. In percentage terms, Washington was the tenth fastest growing state.[5]
- Population growth was widespread. Every county experience some population growth, although some small agricultural counties experienced slow growth. Twenty-one out of 29 counties fully planning under the GMA were in the top 25 percent of the fastest growing counties in the United States. All but five Washington State Counties grew faster than the United States. On the following page is a graph that shows the percentage growth of Washington State counties compared to the United States. The bold line on the graph is the United State's growth rate. Attachment 1 shows the population growth for Washington State and each of the state's counties from 1990 through 2000.
- Not only did we add many people, we added many jobs. This is not big news since jobs are one of the primary reasons people move from one place to another. Non-agricultural employment in Washington State increased from 2,142,500 in 1990 to 2,716,800 in 2000.[6] Employment growth between 1990 and 2000 was 574,300 jobs, significantly more than the 534,200 jobs added between 1980 and 1990, the so called pre-GMA good old days.[7]
- Growth in employment was widespread and rural counties saw economic growth. All but one of the state's counties experienced employment growth between 1990 and 2000.[8] In contrast between 1980 and 1990, five counties experienced a net employment loss.[9] Attachment 2 shows the employment growth for Washington State and each of the state's counties from 1990 through 2000.

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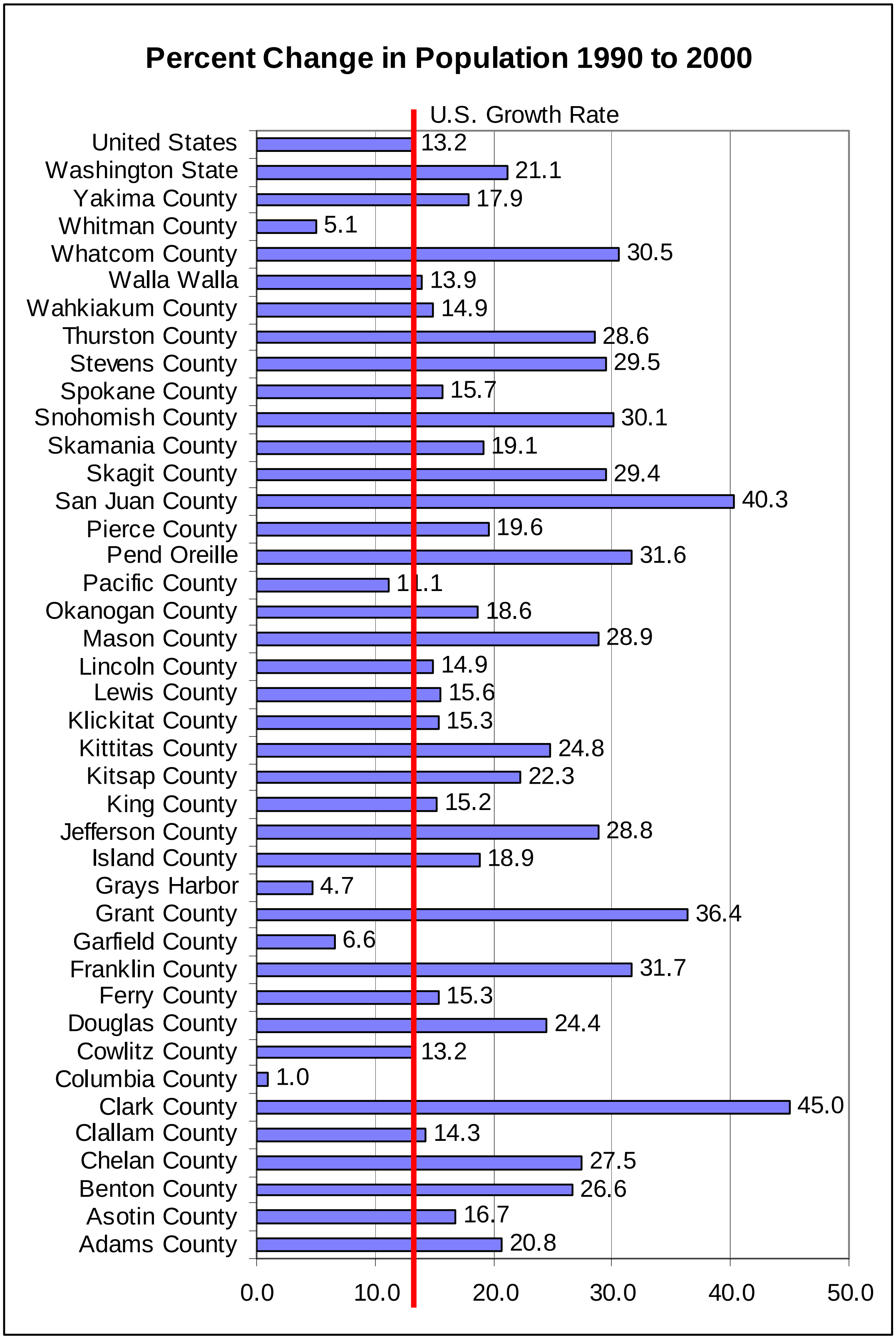
[3] Hugh D. Spitzer. *Municipal Police Power in Washington State*, 75 Wash. L. Rev. 495, 511-17 (April, 2000) and Justice Philip A. Talmadge. *The Myth of Property Absolutism and Modern Government: The Interaction of Police Power and Property Rights*, 75 Wash. L. Rev. 857, 894-900 (July, 2000).
[4] U.S. Census Bureau, Census 2000 Redistricting Data (P.L. 94-171) Summary File and 1990 Census (Internet Release date: April 2, 2001).
[5] *Ibid.*
[6] State of Washington Employment Security Department (2002) various documents available on the department's website.
[7] *Ibid.*
[8] *Ibid.*
[9] *Ibid.*



Percent Change in Population 1990 to 2000
U.S. Growth Rate
United States 13.2
Washington State 21.1
Yakima County 17.9
Whitman County 5.1
Whatcom County 30.5
Walla Walla 13.9
Wahkiakum County 14.9
Thurston County 28.6
Stevens County 29.5
Spokane County 15.7
Snohomish County 30.1
Skamania County 19.1
Skagit County 29.4
San Juan County 40.3
Pierce County 19.6
Pend Oreille 31.6
Pacific County 11.1
Okanogan County 18.6
Mason County 28.9
Lincoln County 14.9
Lewis County 15.6
Klickitat County 15.3
Kittitas County 24.8
Kitsap County 22.3
King County 15.2
Jefferson County 28.8
Island County 18.9
Grays Harbor 4.7
Grant County 36.4
Garfield County 6.6
Franklin County 31.7
Ferry County 15.3
Douglas County 24.4
Cowlitz County 13.2
Columbia County 1.0
Clark County 45.0
Clallam County 14.3
Chelan County 27.5
Benton County 26.6
Asotin County 16.7
Adams County 20.8
0.0
10.0
20.0
30.0
40.0
50.0

- The GMA is nationally recognized as one of the most effective state planning laws. An American Planning Association evaluation of state planning laws completed in February concluded Washington's GMA is “one of the most comprehensive and modern planning statutes in the country.”[10] The report noted the law is slowing sprawl.[11]
- The data back this up. Between 1982 and 1997, each new resident in Washington used less newly developed land than all but six other states.[12] This included land used for housing, shops and jobs.
- We have better plans. The GMA established standards for comprehensive plans and development regulations. For GMA counties, 27 of 29 counties have adopted comprehensive plans and 24 have adopted zoning regulations. For GMA cities, 212 of 216 have adopted comprehensive plans and 199 have adopted zoning regulations.[13]
- We have three regional Growth Management Hearings Boards that provide a quick and citizen friendly method of resolving disputes over whether a plan or regulation complies with the GMA.
- We have better permitting. Chapter 36.70B RCW contains a comprehensive set of state laws that provide for more effective and efficient land use permitting. Many local governments have undertaken important reforms to improve permitting.[14]
- We have better financing tools. Capital facility planning is required to provide for needed facilities.[15] Cities and counties can now adopt transportation, park and recreation, school, and fire impact fees.[16] Impact fees are payments by a new development to help finance some of the public facilities needed to accommodate that new development.
- We have better economic development tools. The GMA requires comprehensive plans and development regulations to achieve the economic development goal.[17] This is a new requirement for comprehensive plans. There are other economic development tools too. A city or county can prepare an environmental impact statement that identifies and mitigates the environmental impacts of new developments, allowing permitting without project by project environmental review and streamlining permitting. This is referred to as a planned action.[18]

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[10] American Planning Association. *Planning for Smart Growth: 2002 State of the States* 130 (February 2002). You can download the report from the Association’s website at: http://www.planning.org/growingsmart/
[11] *Ibid.*
[12] Jeffrey D. Kline. *Comparing States With and Without Growth Management Analysis Based on Indicators With Policy Implications Comment*, 17 Land Use Policy 349, 354 (2000) (Washington used 0.48 acres of new developed land per new resident between 1982 and 1997. This was seventh lowest rate of land conversion, only six states converted less land per new resident).
[13] Office of Community Development. *Growth Management Act Requirements Progress Report* 1 (February 21, 2002).
[14] Puget Sound Regional Council, Association of Washington Cities, and Washington State Association of Counties. *Survey of Local Jurisdictions’ Regulatory Reform Work, Central Puget Sound Region Summary Report* 1-6 (November 1994).
[15] RCW § 36.70A.070(3).
[16] RCW §§ 82.02.050 – 82.02.100.
[17] RCW § 36.70A.050(5).
[18] WAC §§ 197-11-164 – 197-11-172.

- Better resource protection. The Growth Management Act requires cities and counties to protect wetlands, wildlife habitats, streams, rivers, lakes, aquifer recharge areas, and geological hazards.[19] This requirement applies to all cities and counties in the state, not just the so called GMA cities and counties. For counties, all 39 have adopted critical areas regulations.[20] For cities, 259 of 278 have adopted critical areas regulations.[21]
- As you can see from statistics in this section there have been GMA successes throughout Washington State. Some of these success stories are included in the Office of Community Development's *Achieving Growth Management Goals: Local Success Stories*.[22] They include the following achievements.
    - Thurston County and the Cities of Olympia, Lacey, and Tumwater prepared and jointly adopted a comprehensive plan for the urban growth areas. They also adopted common development regulations and standards for the urban growth areas and increased densities in the area. This has helped streamline annexing urban areas to the cities and streamline permitting.
    - The City of Colville, in Stevens County, has prepared a downtown revitalization plan that will help reduce sprawl, address transportation needs and provide for transportation choices.
    - The City of Newport, in Pend Oreille County, comprehensive plan has also laid the groundwork for downtown revitalization. Using funding from the Washington State Department of Transportation, the city, local businesses, and grants SR 2 in downtown Newport was rebuilt to make it more functional and to encourage business revitalization.
    - The City of Tacoma's Thea Foss Waterway Plan created a vision for the redevelopment of the waterway that is now taking shape with the Museum of Glass under construction and the Albers Mill redevelopment. Conducting upfront environmental analysis is providing better protection for the environment and quicker permitting.
    - The City of Sumner's new Daffodil Neighborhood is a mix of single-family and multifamily homes constructed around a park. It includes a design patterned after a traditional walkable neighborhood with cottages, a neighborhood school, and services to meet community needs. Sumner is in Pierce County.
    - The City of Cheney, in Spokane County, used its GMA capital facilities planning and economic development planning to bring 900 new jobs to the city. The plans helped the city identify its strengths and address its weaknesses, such as the need for more sewage treatment capacity.
    - The City of Everett used subarea planning and a planned action regulation to speed permitting and enhance permitting certainty in Southwest Everett.

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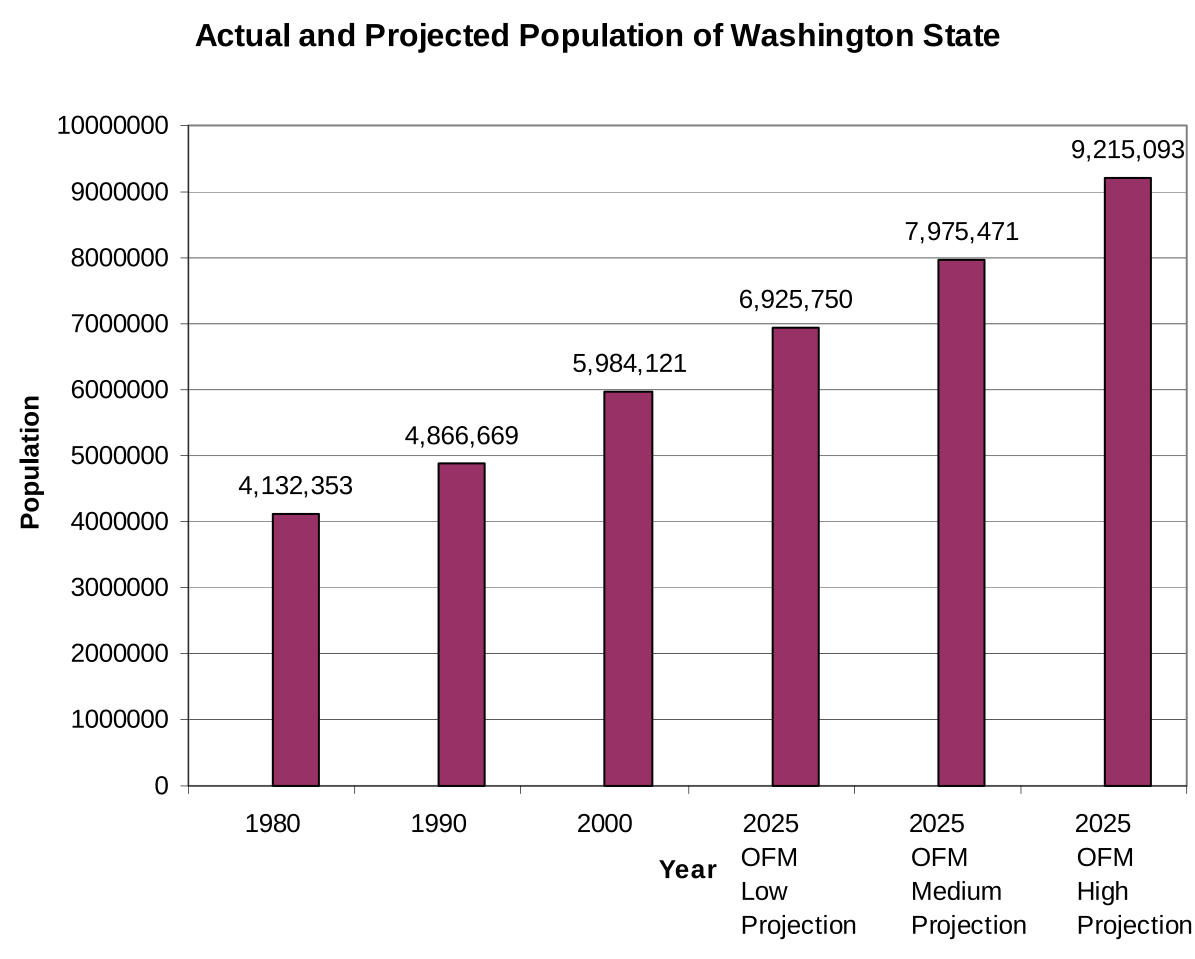
[19] RCW § 36.70A.060(2).
[20] Office of Community Development. *Growth Management Act Requirements Progress Report* 1 (February 21, 2002).
[21] *Ibid.*
[22] Available on OCD's Growth Management Website:
http://www.ocd.wa.gov/info/lgd/growth/publications/index.tpl

We Need the Growth Management Act Now More than Ever

We cannot rest on our laurels. Each new decade brings new challenges and this decade will not be any different. We need the GMA.

Like the 1980s and 1990s, Washington is likely to experience rapid population growth in the next several decades. The State of Washington Office of Financial Management (OFM) has recently released its Growth Management Act population projections. These projections consist of a low, medium, and high projection for Washington State and each county in the state. The following graph shows the actual populations for 1980, 1990, and 2000. It also shows the low, medium, and high projections for 2025, the horizon year for OFM's latest projections. Each county in cooperation with the cities in the county must choose a 20-year population projection from within that range and provide the areas and densities necessary to accommodate that projection.[23]



Source: State of Washington Office of Financial Management. Projections of the Total Resident Population for the Growth Management Act 2000 to 2025 (January 2002) & U.S. Census.

[23] RCW § 43.62.035 & RCW § 36.70A.110.

These are projections of rapid growth. The medium projection would add 796,540 net new residents a decade, higher than the 734,316 net new residents added between 1980 and 1990. And remember, the adverse impacts of this level of growth led to the adoption of the Growth Management Act in 1990. The high projection would add 1,292,389 net new residents per decade, higher than the 1,117,452 net new residents added between 1990 and 2000. Accommodating these population increases without the GMA would severely tax our communities, public facilities and services, environment, and economy. In fact, my opinion is that we cannot accommodate these growth rates without the GMA, the cities and counties would lack the tools and resources to do it. Even with the GMA, it represents challenges.

Our continuing growth will continue to challenge our quality of life. This not only affects those who live in the state, but our economy. Quality of life and environmental protection is important to attract and keep the jobs and firms on which are an important part of our economy. One survey found that high-technology firms rank environmental quality higher than any other factor when deciding where to locate.[24] If we want them to remain or locate in Washington State, we need a high quality of life and the GMA. Unplanned or poorly planned growth affects not only the new economy, but important sectors of Washington's "old" economy as well. This includes farmland,[25] forestland, shellfish, and fishing. All of these industries depend on their land bases and clean water. All will be threatened by poorly planned growth.

Finally, poorly planned growth costs more. Studies have shown that sprawl has public costs twice that of compact development.[26] In this era of tax revolts and declining revenues, we cannot afford poor planning. Sprawl has other social, environmental, and economic costs as well, for a long list, see *Pricing Growth* 9-13 (Seattle, WA: 1000 Friends of Washington, November 2001). You can download *Pricing Growth* at the 1000 Friends of Washington Website: http://www.1000friends.org/current_work/publications.cfm

Growth Management Act Criticisms and Responses

While poll after poll has shown Washington residents support managing growth and do not think we are doing enough, not all agree. This section will address the major criticisms of the Growth Management Act.

The Growth Management Act Promotes Sustainable Economic Development, even in Rural Areas

RCW § 36.70A.020(5) provides in full:

> (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new

[24] Joel S. Hirschhorn, *Growing Pains: Quality of Life in the New Economy* 23 (Washington D.C., National Governor's Association: 2000).
[25] *Ibid* at 24 and 25.
[26] Tim Trohimovich, Danielle Hursh, & Rich Thorsten. *Pricing Growth* 12 (Seattle, WA: 1000 Friends of Washington, November 2001) citing James Frank *Costs of Alternative Development Patterns* 40 (Urban Land Institute, 1989).

businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.[27]

City and county comprehensive plans and development regulations must comply with this goal.[28] This is significant, before the GMA there was no economic development goal that cities, counties, and state agencies had to comply with in their planning and zoning.

What are the tools the GMA gives cities and counties to achieve this goal? A partial list includes:

- Urban growth areas must be sized to include the land area needed to accommodate the OFM population projections for each county, discussed above, and the retail, service, manufacturing, and other employment uses needed to serve and employ the population.[29] Urban growth, which includes manufacturing, service, retail, and other businesses and employment uses, "shall be encouraged" within urban growth areas.[30]
- Major industrial developments and natural resource-based industries requiring a location near agricultural land, forest land, or mineral lands can be located outside urban growth areas if they meet certain requirements.[31]
- Cities and counties shall adopt "[a] land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth."[32] So the comprehensive plan must accommodate needed economic growth and, as is required by the economic development goal, the retention of existing businesses. Cities and counties must adopt zoning that is consistent with and implements this comprehensive plan to retain existing businesses and for future economic growth.[33]
- Cities and counties are required to prepare capital facility, utility, and transportation elements that identify, provide for, and help finance the public facilities and services needed to encourage businesses retention and future economic growth.[34] As the Cheney example above showed, capital facilities planning is an important economic development tool, bringing more than 900 new jobs to that city.[35]

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[27] Chapter 154, Laws of 2002.
[28] RCW § 36.70A.020.
[29] RCW § 36.70A.020(17) & 36.70A.110.
[30] RCW § 36.70A.110(1).
[31] RCW § 36.70A.365.
[32] RCW § 36.70A.070(1).
[33] Chapter 154, Laws of 2002, RCW § 36.70A.040(3)(d), & RCW § 36.70A.040(4)(d).
[34] RCW § 36.70A.070(3), RCW § 36.70A.070 (4), RCW § 36.70A.070(6), & RCW § 36.70A.110(1).
[35] State of Washington Office of Community Development. *Achieving Growth Management Goals: Local Success Stories* 23 (Olympia, WA: December 2000).

- GMA cities and counties can adopt impact fees to help finance certain public facilities needed to encourage businesses retention and future economic growth.[36]
- The GMA includes measures to protect the quality of life such as capital facility planning, park and recreation impact fees, critical areas regulations, and urban growth areas. As was documented above, quality of life is critical to maintaining high-technology industries.
- The GMA includes measures to protect natural resource industries including the natural resource industries goal and provisions to designate and protect forests, farms, mines, and minerals.[37] These industries are an important part of Washington's economy, including most of Washington's rural counties.
- The GMA includes measures to speed permitting and increase certainty for permit applicants and property owners.[38]

One criticism of the GMA is that it harms rural economies. Examples cited for this proposition include higher unemployment rates in rural counties and the experiences of Jefferson, Mason, and Lewis Counties. But a close look at statewide economic data and the data for those counties and lends no support to this criticism.

The differences in unemployment rates between urban and rural Washington's were caused by the double dip recessions of the early 1980s.[39] They were not caused by the GMA. Fortunately, both urban and rural unemployment rates have fallen in the later 1980s and 1990s.[40]

In 2000, the Washington State Employment Security Department completed a detailed examination of the Jefferson County economy. Their conclusions include: "Thus, Jefferson County seems to have turned the corner on its economically troubled past. The recent years show a strong economy linked to a more diversified industrial base, overcoming the legacy of being subject to the severe swings in the timber and timber products markets."[41] "Unemployment in the county has fallen substantially over the period of the recent economic expansion, which has led to some real increases in wages."[42] So we see that the Jefferson County economy has gotten better under the GMA, not worse.

Mason County, despite its well-publicized opposition to the GMA, has also seen strong growth during GMA time period. For example, between 1992 and 1996 (the last year data was available

[36] RCW §§ 82.02.050 – 82.02.100.
[37] RCW § 36.70A.020(8), RCW § 36.70A.020, RCW § 36.70A.131, RCW § 36.70A.170, RCW § 36.70A.177, *Redmond v. Central Puget Sound Growth Management Hearings Board*, 136 Wash. 2d 38 (1998), & *King County v. Central Puget Sound Growth Management Hearings Board*, 142 Wn. 2d 543 (2000).
[38] Chapter 36.70B RCW.
[39] Labor Market and Economic Analysis Branch. *Studies in Industry and Employment: A Labor Market and Economic Comparison of Rural and Urban Washington* 13 (Olympia, WA: Washington State Employment Security Department, February 2001). Available at Washington Employment Security's website: http://www.wa.gov/esd/lmea/sprepts/sprepts.htm
[40] *Ibid* at *i* and 13.
[41] William S. Dillingham and Rev Froyalde. *Jefferson County Profile* 35 (Olympia, Washington: Labor Market and Economic Analysis Branch, Washington State Employment Security, July 2000). Available at Washington Employment Security's website: http://www.wa.gov/esd/lmea/pubs/profiles/profiles.htm
[42] *Ibid.*

for the Washington Employment Security's most recent detailed analysis of the Mason County economy), Mason County "experienced strong [non-agricultural wage and salary employment] growth, averaging 4.5 percent per year."[43]

Even Lewis County, another well-publicized opponent of the GMA has experienced economic growth during the GMA era. "After several years of economic distress in the first half of the 80s, primarily associated with cutbacks in the timber industry, Lewis County began to show fairly consistent positive growth. From 1986 to 1997, nonagricultural jobs and the civilian labor force averaged annual increases of 3.1 and 3.4 percent, respectively."[44]

One statistic that has been cited is also worth examining. It is claimed "Mason County experienced a 10 percent drop in the number of private business[es] located within the county" between 1993 and 1998.[45] If this statistic refers to the all of Mason County, other data contradict it. The County Business Patterns reports show that between 1993 and 1998, the number of business establishments in Mason County increased from 939 to 1,051, an increase of 112 establishments and a percentage increase of almost 12 percent.[46] The number of private covered employment employer units also increased in Mason County during this time period from 1,028 to 1,308, an increase of 280 or 27 percent.[47] Employer units do not include businesses that are not covered by unemployment insurance, such as one person proprietorships and can include multiple employment sites owned by a single company. Governments have been taken out of these figures. But despite these limitations, both data sources clearly show an increase in private employers in Mason County.

Does this mean that everything is hunky dory in rural economies? No, both Mason and Lewis Counties have significant challenges. Lewis County in particular continues to loose manufacturing jobs which is most unfortunate because of their family wages. Other rural counties have problems too. Unemployment remains too high and wages are too low in many counties. But GMA is not the cause of these problems and the GMA's tools summarized above, if properly applied by Mason County, Lewis County, and other rural communities, can help. The rural counties also need continued help from Washington State and the federal government. But, rural economies have and can get better. It is not accurate to blame the GMA for rural economic problems.

It is also important to note that there are limits to what the local, state, and federal governments can to do to encourage appropriate economic development. Growth and change in the economy

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[43] Paul Cichello. *Mason County Profile* 14 (Olympia, Washington: Labor Market and Economic Analysis Branch, Washington State Employment Security, September 1997). Available at Washington Employment Security's website: http://www.wa.gov/esd/lmea/pubs/profiles/profiles.htm

[44] Loretta Payne. *Lewis County Profile* 1 (Labor Market and Economic Analysis Branch, Washington State Employment Security: Olympia, Washington: March 2001). Available at Washington Employment Security's website: http://www.wa.gov/esd/lmea/pubs/profiles/profiles.htm

[45] Corrie White, JD. *Growth Management Act* 28 (Olympia, WA: Evergreen Freedom Foundation,) quoting the Economic Development Council of Mason County, *Business Demographics and the Impact of Land Use Restrictions on the Mason County Economy, Phase II Report*, Issue A (April 2000).

[46] US Census Bureau, County Business Patterns 1993 and 1998.

[47] State of Washington Department of Employment Security, *Covered Employment and Wages, Classified by Industry* 1993 & 1998.

is inevitable, including job losses in some industries and growth in others.[48] This will occur regardless of the GMA, but the GMA gives cities and counties tools to analyze and respond effectively to these changes.

The Growth Management Act Promotes Housing Affordability

RCW § 36.70A.020(5) provides in full:

> (4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

City and county comprehensive plans and development regulations must comply with this goal.[49] This is significant, before the GMA there was no similar goal that cities, counties, and state agencies had to comply with in their planning and zoning. The GMA includes the following affordable housing requirements in addition to the housing goal:

- Counties and cities must adopt a housing element that includes:
  - Measures to ensure the vitality and character of established residential neighborhoods.
  - An inventory and analysis of existing and projected housing needs.
  - Goals, policies, objectives, and mandatory provisions to preserve, improve, and develop of housing, including single-family residences.
  - The element must identify sufficient land for housing, including assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities.
  - The element must provide for the existing and projected housing needs of all economic segments of the community.[50]
- The Growth Management Act also includes many provisions to streamline permitting.
- Urban Growth Areas must include the following provisions to ensure that an adequate supply of land is available for housing and other uses:
  - Urban Growth Areas are required to include a twenty-year land supply.
  - Urban Growth Areas include additional market supply factor of 20 to 25 percent or more.
  - The State of Washington Office of Financial Management (OFM) projects twenty-year population range every five years or after the decennial census.
  - Counties and cities shall provide sufficient areas and densities to achieve the OFM projection.
  - Comprehensive plans must be updated every five years starting in 2004 and running through 2007.

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[48] Mary L. McLean & Kenneth P. Voyteck, et al. *Understanding Your Economy: Using Analysis to Guide Local Strategic Planning* 1 (Chicago, Il.: Planners Press, 1992).
[49] RCW § 36.70A.020.
[50] RCW § 36.70A.070(2).

- Counties and cities must show their work for urban growth areas.
- Counties and cities must involve the community in housing planning.
- The housing element can be appealed to the Growth Boards.
- Counties and cities often use county-wide planning policies to allocate population, and in some cases, employment targets to cities.
- Counties & cities shall review urban growth areas every at least every ten years. County comprehensive plans were adopted in 1994 through 2002. Many are approaching the ten-year review. The review must include development densities, the location of growth, and other factors. If necessary, the urban growth area shall be revised to accommodate the OFM 20-year projection.

- The Growth Management Act encourages denser housing, which can be constructed more affordably than low-density development.
- The Growth Management Act includes provisions addressing the quality of life within urban and rural areas. For example, local governments are required to plan for the public facilities and services needed to accommodate growth including parks, open spaces, schools, and other community facilities.

Despite these requirements, some claim that the GMA increases housing costs. A recent discussion paper from the Brookings Institution documents that market demand, not land constraints, is the primary reason housing prices increase.

> The common assumption is that by limiting the supply of developable land, all growth management policies reduce the supply of housing. Basic economic theory suggests that if housing supply is low relative to demand, then the price for it will be high, reducing its affordability. While this reasoning may seem logical, it is far too simplistic. Housing prices are actually determined by a host of interacting factors, such as the price of land, the supply and types of housing, the demand for housing, and the amount of residential choice and mobility in the area.
>
> 1. **Market demand, not land constraints, is the primary determinant of housing prices**. ….
>
> 2. **Both traditional land use regulations and growth management policies can raise the price of housing**. … Many growth management policies improve the supply and location of affordable housing and accommodate other development needs, thereby increasing the desirability of the community and thus the price of housing. When crafted properly, growth management programs break the chain of exclusion by incorporating policies that increase housing densities, mandating a mix of housing types, and promoting regional fair share housing or other inclusionary housing elements. …. Growth management programs can also make housing more affordable by lowering public infrastructure costs and minimizing regulatory delays. Finally, properly designed growth management programs also plan for all development needs, such as more open space, access to public transportation, and walkable neighborhoods. In communities with such growth management programs,

residents are not necessarily worse off if housing prices increase. Instead, higher housing prices may be offset by lower transportation and energy costs and better access to jobs, services, and amenities.

3. **If housing prices may increase in any land use environment, then the decision is between good and bad regulation to improve housing choice.**

…. Properly designed growth management programs are ones that include policies that mitigate the adverse effects of urban growth and the adverse price effects on lower-income households.[51]

What about those studies that show that the GMA is increasing housing costs? Unfortunately, they are flawed. The Reason Public Policy Institute's *Smart Growth and Housing Affordability: Evidence from State Planning Law* found that the GMA increased housing costs, but its two key flaws undercut the study's conclusions.

First, the counties fully planning under the Growth Management Act (GMA) and non-GMA counties are too different to conclude that changes in housing costs are due to the GMA. The Reason Public Policy Institute study compared the counties fully planning under the Growth Management Act (GMA) and non-GMA counties to determine whether the GMA counties had a higher rate of housing price increases resulting from the GMA. This meant that slow growing, predominately rural counties, the counties not fully planning under the GMA, were compared with the fast growing highly urbanized counties, such as King, Pierce, Snohomish, and Clark counties, and fast growing rural counties, such as San Juan County. However the housing markets in the different kinds of counties are too dissimilar to arrive at a valid comparison. For example, the population of the GMA counties increased by 993,686 between 1990 and 2000. The population of the non-GMA counties increased by 33,743 during the same time period.[52]

Second, the study was not able to take into account that in many Washington counties home size and home quality has increased significantly in the 1990s. This is important because King County analyzed increases in housing costs and concluded that the average single-family home had increased by 300 square feet over the 1990s and the new homes included added amenities, such as high-end kitchens. In the King County analysis, the larger size and better amenities significantly affected housing prices.[53]

Another example is *Growth Management: A Clark County Housing Affordability Study* that found that the price of existing houses in Clark County increased by 16 percent since 1995 due to the urban growth area and other measures. New housing prices did not show this effect. The key flaw here is that Clark County started implementing the GMA sooner than the study acknowledged, which was 1995. Clark County adopted transportation impact fees starting in

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[51] Arthur C. Nelson, Rolf Pendall, Casey J. Dawkins, and Gerrit J. Knaap. *The Link Between Growth Management and Housing Affordability: The Academic Evidence* vii-viii (Washington D.C.: The Brookings Institution Center on Urban and Metropolitan Policy, February 2002).

[52] U.S. Bureau of the Census.

[53] The Office of Regional Policy and Planning, *Affordable Housing: An Annual Bulletin Tracking Housing Costs in King County* 2 of 12 (Seattle, Washington: King County, December 2000). Available at the county's website: http://www.metrokc.gov/exec/orpp/ed/affhsg/affhsg00.htm

1990. The first critical areas regulations were adopted in 1992. The interim urban growth area was adopted in 1993.[54] The study also did not take into account employment and income growth during the time period. For all of these reasons, you cannot attribute the after 1995 changes in existing housing prices to the GMA.

Currently, Washington State has an affordability index of 135.1.[55] This means that in Washington State, a family earning the median income has 135 percent of the income needed to buy the median priced resale home. All but one Washington county for which data is available have an affordability index above 100. This relatively high level of affordability results from low interest rates, modest year-to-year increases in home prices, and reported increases in incomes.[56]

Unfortunately, Washington's first time buyer index is not as good, it is at 80.8.[57] This means that we need to focus more on providing housing affordable to first time buyers: small lot single-family homes, cottages, townhouses, and condominiums.

In conclusion, the GMA includes many important measures to encourage housing affordability, measures that did not exist before the GMA. Increases in housing costs are not due to the GMA, but to market factors including demands for larger and higher quality houses.

The Growth Management Hearing Boards

The Growth Management Hearing Boards Fulfill an Important Role under the Growth Management Act (GMA) and Should be Retained

Some GMA critics recommend that the Growth Management Hearings Boards should be eliminated. In a 1996 article in the University of Washington's law review, Derek W. Woolston analyzed these criticisms and concluded that the boards should be retained. Mr. Woolston wrote:

> The Boards are vital to the successful implementation of the GMA. They alleviate the burden on the superior court system, provide a timely means of dispute resolution, and offer a high level of expertise in land use management. The large number of petitions heard by the Boards and the constant backlog of cases in superior court demonstrates the need for a separate GMA dispute resolution system. Moreover, Board members must be experts in the field of land use planning, thus resulting in a better understanding of the issues. Presumably, fewer parties would appeal local government actions directly to the

[54] Personal Communication with Evan Dunst, Clark County Department of Community Development (November 27, 2001) & Personal Communication with Oliver Orgoco, Clark County Department of Community Development (November 29, 2001).
[55] Washington Center for Real Estate Research/Washington State University. *Housing Market Snapshot, State of Washington and Counties Fourth Quarter 2001*.
[56] Washington Center for Real Estate Research/Washington State University. *Washington State's Housing Market: A Supply/Demand Assessment* 4 (Fourth Quarter 2001).
[57] Washington Center for Real Estate Research/Washington State University. *Housing Market Snapshot, State of Washington and Counties Fourth Quarter 2001*.

superior courts due to the high litigation costs, thus disputes may go unresolved, conflict may escalate, and the GMA may be much less effective at managing urban sprawl.[58]

The Growth Boards Get the GMA Right: The Courts Uphold Board Decisions Almost All the Time

A criticism leveled against the Growth Boards is that they do not follow the Growth Management Act, they follow their own opinions. The clearest test of this claim is how many Growth Board decisions are upheld when they are appealed to court. As the following table shows, the Growth Boards have been upheld entirely 94.7 percent of the time. In many of the remands, the boards were upheld in part. Clearly, the Growth Boards are basing their decisions on the Growth Management Act, not their opinions on what the law should say.

Disposition of Growth Management Hearings Board Decisions Appealed to Court			
	Cases Decided	**Cases Remanded**	
		Number	**Percent**
Central Puget Sound Growth Management Hearings Board	181	8	4.42%
Eastern Washington Growth Management Hearings Board	57	5	8.77%
Western Washington Growth Management Hearings Board	104	7	6.73%
Total	**342**	**20**	**5.85%**

Sources: Eastern Washington Growth Management Hearings Board Supreme Court, Court of Appeals, and Superior Court Cases (March 2002).
Central Puget Sound Growth Management Hearings Board, CPSGMHB Digest of Decisions 2nd Edition 12 (2001). Available at the board's website:
http://www.gmaboards.wa.gov/central/central_index.html
Personal Communication with the Western Washington Growth Management Hearings Board (February 6, 2002).
The Webpages of the Various Boards. The number of cases decided is based on the cases shown on the board's webpages. Due to delay in posting decided cases, this may undercount the cases decided as of the end of 2001.

A peer review team has recently reviewed the practices of the Western Washington Growth Management Hearings Board. They concluded that "[i]t is the conclusion of the Peer Review Team that after more than a decade of conducting hearings and issuing decisions, the Western Washington Growt[h] Management Hearings Board is accomplishing its mandate in a fair and efficient manner."[59]

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[58] Derek W. Woolston. Note & Comment, *Simply A Matter Of Growing Pains? Evaluating The Controversy Surrounding The Growth Management Hearings Boards* 71 Wash. L. Rev. 1219, 1249 (October 1996) (Internal citations omitted).
[59] Western Washington Growth Management Hearings Board Peer Review Team Report and Board Response 17 (February 26, 2002). Available at the Growth Board's Website:
http://www.gmaboards.wa.gov/western/western_index.html

The Growth Boards Defer to Local Governments

Similarly the Growth Boards are accused of not deferring to local governments and substituting their judgment of local elected officials. Again, that is not true. In case after case, the Growth Boards have let the policy decisions of cities and counties stand when they comply with the Growth Management Act. As the State of Washington Court of Appeals for Division II recently held:

> While the County is correct that RCW 36.70A.320(1) requires "boards to grant deference to counties" in their development plans, such deference is not unbounded. The GMA itself limits a county's discretion. As our State Supreme Court recently stated,
>
> "Local governments have broad discretion in developing [comprehensive plans] and [development regulations] tailored to local circumstances." *Diehl*, 94 Wn. App. at 651. Local discretion is bounded, however, by the goals and requirements of the GMA. In reviewing the planning decisions of local governments, the Board is instructed to recognize "the broad range of discretion that may be exercised by counties and cities *consistent with the requirements of this chapter*" and to "grant deference to counties and cities in how they plan for growth, *consistent with the requirements and goals of this chapter*." RCW 36.70A.3201 (emphasis in original).
>
> *King County v. Cent. Puget Growth Mgmt. Hearings Bd.*, 142 Wn.2d 543, 561, 14 P.3d 133 (2000).
>
> Consistent with *King County*, [142 Wn.2d at 461] and notwithstanding the "deference" language of RCW 36.70A.3201, the Board acts properly when it foregoes deference to a county's plan that is not "consistent with the requirements and goals" of the GMA.[60]

The Growth Board's Enforce the GMA's Public Participation Requirements

Those opposed to the Growth Board's claim they discourage public participation. Actually, it is the Growth Board's that have required local governments to allow public participation.[61]

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[60] *Thurston County v. Cooper Point Association*, 108 Wn. App. 429, 444, 31 P.3d 28, 36 (2001), review granted __ Wn2d ___, ___ P.3d ___ (Apr 02, 2002) (No. 71746-0).

[61] *See for example Lewis v. City of Edgewood*, CPSGMHB Case No.: 01-3-0020 Final Decision and Order (February 7, 2002) Last minute amendments to a proposed comprehensive plan violate the GMA when the public is not given an opportunity to comment. *Saundra Wilma, et al. v. Stevens County* (Wilma v. Stevens County), EWGMHB Case No. 99-1-0001c Final Decision and Order (5-21-99) A key objective of the Growth Management Act is to dramatically increase public participation in land use planning. *Butler v. Lewis County*, WWGMHB Case No.: 99-2-0027c Final Decisions and Order (6-30-00) The public participation goals and requirements of the GMA impose a duty on a local government to provide effective notice and early and continuous public participation. Under the record in this case that duty was not discharged.

The Growth Boards do not Write Plans: Cities and Counties Do

Those opposed to the boards imply that Growth Boards write plans or development regulations when those they are found to violate the Growth Management Act. They do not. As Professor Richard Settle has written: "The Growth Boards have no authority to adopt and impose local plan provisions or regulations. The Boards' remedial powers are limited to remanding noncompliant provisions to local government for rectification within a specified period of time."[62]

Appointment of the Growth Boards

Some critics of the Growth Boards criticize the Governor appoints them and they are not confirmed by the State Senate. But they are merely following the model of all of the state quasi-judicial boards.

Limited Areas of More Intense Rural Development (LAMIRDs)

Limited Areas of More Intense Rural Development (LAMIRDs) are sometimes attacked as being inflexible or having odd boundaries. It is important to understand that LAMIRDs are designed to provide an accommodation for existing built up parts of the rural area, such as a village or crossroads shopping area.[63] The boundaries are also not drawn by the Growth Boards; they are drawn by the county adopting them. If expansion of a LAMIRD is needed, they should be included within an urban growth area, not a LAMIRD. The expansion of LAMIRDs beyond their logical outer boundaries is prohibited by state law.[64]

GMA Planning Funding

Some complain that GMA planning requirements are bleeding rural counties dry. Between 1991 and the current biennium, Washington State has provided $55.6 million for local cities and counties for GMA planning. In 2001-2002, every county in the state will get GMA funding. Attachment 3 shows the funds granted to date. While cities and counties have undoubtedly incurred costs beyond this funding, part of the problem in some counties is that they have not followed the GMA and have been required to redo plans several times before complying with state law. After almost 12 years and $55 million dollars, these local governments need to come into compliance and stop wasting state money and their taxpayer's scarce time and money.

The Growth Management Act Helps Reduce Congestion

Some argue that density causes increased traffic congestion. The evidence refutes these claims. A report prepared for the Transportation Research Board of the National Research Council summarized the research findings.

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[62] Richard L. Settle, *Washington's Growth Management Revolution Goes to Court* 23 Seattle University Law Review 5, 44 (1999) (citing RCW §§ 36.7A.300, 302, 330).
[63] RCW § 36.70A.070(5)(d).
[64] RCW § 36.70A.070(5)(d)(iv) "Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl."

> Thus, sprawl, which creates the longer travel distances and increases dependence on the automobile, is a major source of increased vehicle use.
>
> Numerous studies have linked lower vehicle miles of travel with more compact mixed-use developments. In a 1990 analysis of the San Francisco Bay area and a 1994 study of 28 California communities, Holtzclaw found that residents of the denser neighborhoods drove fewer miles per year. In a second study, where Holtzclaw (1994) controlled for the levels of transit service and vehicle ownership, a doubling of residential densities was associated with 16 percent fewer vehicle miles of travel. Other research by Harvey (1990), 1000 Friends of Oregon (1996), and the Urban Land Institute (Dunphy et al. 1997) confirm that as densities increase, per capita vehicle miles of travel decline.[65]

The GMA includes important tools to address transportation including:

- Cities and counties are required to prepare capital facility and transportation elements to address their mobility needs.[66]
- Cities and counties are required to adopt transportation concurrency systems to match growth with the transportation facilities needed to accommodate growth.[67]
- Cities and counties have the authority to adopt transportation impact fees, although these fees are too limited.[68]
- Cities and counties must analyze the impacts of the comprehensive plan on state highways and recommend needed transportation facilities for the state highways.[69]
- Land use tools, such as compact urban development.

Our increases in congestion are due to rapid growth, increased travel (including increases in vehicle travel caused by sprawl) and a failure to invest in needed transportation facilities especially a failure to invest in the right facilities including transit, ferries, light rail, and where needed and the impacts can be addressed, additional capacity. "While traffic has increased almost 90 percent since 1980, the state budget for new [transportation] projects has gone up only about seven percent in the past two decades."[70]

The GMA did not cause congestion. In fact, it includes some of the tools needed to address congestion.

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[65] Robert W. Burchell, Naveed A. Shad, David Listokin, Hilary Phillips, Anthony Downs, Samuel Seskin, Judy S. Davis, Terry Moore, David Helton, Michelle Gall. *The Costs of Sprawl—Revisited* 62 (Transit Cooperative Research Program Report 39, Transportation Research Board, National Research Council 1998). Available at the National Academy Press website: http://www4.nationalacademies.org/trb/onlinepubs.nsf/web/TCRP_Reports

[66] RCW § 36.70A.070(3) and RCW § 36.70A.070(6).

[67] RCW § 36.70A.070 (6)(b).

[68] RCW §§ 82.02.050 – 82.02.100. For recommended reforms see Tim Trohimovich, Danielle Hursh, & Rich Thorsten. *Pricing Growth* 26-27 (Seattle, WA: 1000 Friends of Washington, November 2001). Download from the 1000 Friends of Washington Website: http://www.1000friends.org/current_work/publications.cfm

[69] RCW § 36.70A.070(6)(a)(ii).

[70] Andrew Garber. Statewide Gas Tax Increase Likely to Go To A Public Vote, The Seattle Times A 12 (March 15, 2002).

Impact Fees

Given the losses in local government funding due to the State Legislature's implement of I-695, the revenue losses in the future from I-747, and rapid growth, many local governments do not have any choice but to use impact fees and Washington State Environmental Policy Act (SEPA) mitigation. Impact fees are also a fair method of funding some of the impacts of growth.

Governance Change

Opponents of the GMA say that GMA's policy declaration that cities are the proper providers of urban services is somehow creating problems. First, the GMA is correct. Counties are ill suited to provide urban services. What you get is not an integrated government, but a topsy-turvy collection of special purpose governments, water districts, sewer districts, fire districts, park districts, and counties. All with their own elected boards and staff and overhead and competition. Some of these special districts, such as fire districts, rely on property taxes as their principle source of income. With I-747 limiting property tax increases to one percent without a vote of the district residents, they are going to be hard pressed to maintain services because inflation is running at more than one percent. In the near future, this will lead to major problems in unincorporated areas.

Second, there are relatively few new cities in Washington State. In the 1990s, 13 cities incorporated, 10 in King County and three in Pierce County. This was a lot compared to the two earlier decades. In the 1980s one city incorporated, in Snohomish County, and in the 1970s one city incorporated, in Grays Harbor County. Liberty Lake in Spokane County incorporated on August 31, 2001, perhaps reflecting the 1990s relative boom in incorporations. Compare that with the current total of 279 cities and towns.[71] The primary mechanism of implementing the GMA has been through annexations.

Third, while annexations reduce county revenues, they also reduce county service demands. Interlocal agreements and tax reforms can help provide funding for county regional and rural services, which is the primary roles of counties.[72]

Why Does the State Set Standards for Plans?

- We are all downstream.
  - What happens in one county affects other cities and counties.
  - For example, upstream fills cause downstream flooding.
- The state and federal government often pay the costs of fixing the problems created by poor planning.
  - Remedial costs such as paying for flood repairs.
  - Operating costs such as school transportation costs.

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[71] State of Washington Office of Financial Management. *Washington State Historical Decennial Populations for State, County, and City/Town: 1890 to 2000.* Available from OFM's website.
[72] Tim Trohimovich, Danielle Hursh, & Rich Thorsten. *Pricing Growth* 19-21 & 29-30 (Seattle, WA: 1000 Friends of Washington, November 2001). Download from the 1000 Friends of Washington Website: http://www.1000friends.org/current_work/publications.cfm

- The state economy is affected by poor decisions, such as the loss of forest lands
- State resources are at risk
- The state has an important interest in protecting the rights of all of its citizens. For example, the GMA guarantees the right of public participation in planning.

Evaluation of the Growth Management Act and Recommendations

In 2000, the tenth anniversary of the Growth Management Act, 1000 Friends of Washington published *Get Smart Washington: Managing Growth in the New Millennium.* The report analyzed the GMA and made recommendations to improve it. The report can be downloaded at the 1000 Friends website: http://www.1000friends.org/current_work/publications.cfm Its key findings and recommendations are listed below by GMA Goal.

GMA Goal Number 1: Encourage Development in Urban Areas

Findings

- The GMA has contributed significantly to the success of cities in attracting density and growth in downtowns.
- Growth within UGAs would be enhanced if state spending on increasing infrastructure capacity was focused within UGAs and was required to be consistent with local and regional plans.
- Local governments lack the necessary tools, such as tax increment financing and urban land acquisition funding, to offer incentives for development in urban centers. The legislature has since passed tax increment financing, referred to as Community Revitalization Financing and some incentives.

Recommendations

- Focus state policies and spending on funding for economic development, infrastructure, government buildings (including schools), and other public investments into urban growth areas. Establish new restrictions to discourage growth-inducing state spending outside urban growth areas.
- Reward "infill" infrastructure projects that support growth management goals. Add land use impacts to the scoring criteria used to evaluate requests for state grant funding.
- Establish spending criteria that reward jurisdictions meeting and exceeding growth management goals.
- Establish funds/credits to help finance good infill development projects in areas that aren't meeting growth targets. Develop creative funding incentives to reward transit-friendly, mixed use development – such as trip reduction credits that reduce impact fees and SEPA mitigation.
- Establish tax incentives to revitalize main street business districts.
- Annexation reform is needed to help urban areas annex to cities so they can be fully served by urban services.

GMA Goal Number 2: Reduce Rural Sprawl

Findings

Note, the GMA does not prohibit or limit growth in the rural area, just urban growth in the rural area.[73]

- Special Purpose Districts (water, sewer, school, port, etc.) planning for the expansion of facilities and services is not required to be consistent with local comprehensive plans.
- Urban school districts continue to plan for and acquire school sites outside of UGAs, fueling rural sprawl.

Recommendations

- Require that water system, wastewater, and other special purpose district planning be consistent with GMA planning.
- Establish clearer standards for rural densities within the GMA.
- Amend the Master Planned Resorts section of law to include specific limitations on housing for permanent residents and to establish effective standards for recreational facilities and adequate infrastructure.

GMA Goal Number 3: Encourage Efficient Multi-Modal Transportation Systems

Findings

- As Washington's communities grow more compact, transit and other alternative forms of transportation will have to play a more vital role as a way to move people and goods.
- Current transit and transportation funding is insufficient to keep up with the growing need for facilities and service.
- Land use and transportation planning should be more closely linked. New transportation spending should be tied to land use strategies that promote compact growth and reduce single occupant vehicle trips.
- The GMA gives Regional Transportation Planning Organizations the authority to certify local transportation plans and to stop transportation projects that are not consistent with the regional plan. It should go further to require that state and other funding sources be consistent with the priorities established in regional plans.

Recommendations

- Restore transit funding to pre-I-695 levels through a combination of State and local option funding. Restore a continuing and substantial State contribution to transit.
- Modify criteria for state transportation spending and funding for local governments to emphasize growth management goals and compliance.
- Review Oregon's Transportation Planning Rule for application to Washington, particularly as it relates to land use and transportation linkages.

[73] RCW § 36.70A.110(1).

GMA Goal Number 4: Encourage the Availability of Affordable Housing

Findings

- While overall affordability is good, first time home buyers are having a challenge purchasing their first home – especially for households earning less than the median income. In addition, public funding for housing serving very-low-income families has not kept pace with the growing demand.
- The continuing gap in funding for needed infrastructure (including transportation, community facilities, parks and amenities) affects housing affordability. This is especially true within urban centers where these improvements are absolutely vital to making the higher densities attractive to the community and residents.
- Continuing public resistance to infill development presents ongoing challenges for many communities. Often, review processes for infill development are stretched to their maximum point, resulting in significant delays and resulting increased costs for housing development.
- Some communities are not making an adequate effort to address housing for special needs populations (e.g. group homes for developmentally disabled people). The Federal Fair Housing Act is helping to resolve this issue.

Recommendations

- Countywide Planning Policies should establish affordable housing targets. These targets would require each jurisdiction to plan for its fair share of housing that is affordable to low-income, very-low-income and special needs households. Jurisdictions could help ensure adequate capacity by documenting housing types that are “likely to be affordable” and designating adequate capacity to accommodate projected demand for these types of affordable units.
- Authorize a local source of funding that is dedicated to meeting affordable housing needs.
- Ensure that infrastructure and amenities are provided (and not neglected) in areas that are affordable or provide a significant amount of affordable housing stock.
- Support efforts to develop relevant standards to assure that local jurisdictions accept responsibility to accommodate growth, including incentives to reward high performing jurisdictions.
- Provide more housing types affordable to first time homebuyers: small lot detached single-family homes, cottages, townhouses, condominiums, and other affordable ownership housing types.

GMA Goal Number 5: Encourage Economic Development Throughout the State

Findings

- Washington’s economic growth continues to be concentrated in the central Puget Sound and Vancouver, Washington.
- Preparing comprehensive plans is an important prerequisite to economic growth, but will not, in and of itself, spur job growth.

- The Growth Management Act includes provisions for maintaining a 20-year supply of industrial land within the Urban Growth Area and for appropriate economic development in rural lands.

Recommendations

- The 1990 report of the State Growth Strategies Commission included important recommendations for building a network of strong regional economies that seek to spread growth across the state. The State should work to refine and implement the recommendations in the report and adopt strategies to target new growth outside of the Puget Sound region.
- Cities and counties should more fully use the economic development tools of the GMA.
- Use and Monitor Community Revitalization Financing to Encourage Redevelopment. Community Revitalization Financing uses public investments to encourage development in an underused part of the community where growth is wanted. This encourages private investment and increases property tax revenues. Seventy-five percent of this increase in property tax revenues is used to repay the bonds that funded the public improvements. Washington State's Community Revitalization Financing laws should be monitored and reformed if necessary to make them more effective and ensure it is targeted to locations that reinforce GMA goals.

GMA Goal Number 6: Protect Private Property Rights

Findings

- The State Attorney General's Office has provided helpful guidance on the issue of takings of private property.
- While it is important to focus on property rights, there is a need to balance property rights with the public responsibility to protect health, safety and welfare.
- Premature vesting has thwarted the goals of GMA. In some counties, it will be years before the effects of GMA are seen on the ground because so much of the rural lands are already platted into urban–style lots that are vested under the State's permissive vesting laws.

Recommendations

- Adopt revisions to Washington's vesting rights by granting vested rights upon permit approval rather than application, restricting vesting to a permit-by permit basis and by clarifying what vesting applies to. Short Subdivisions should be subject to the same time limits as long subdivisions. Roger D. Wynne in *Washington's Vested Rights Doctrine: How We Have Muddled a Simple Concept and How We Can Reclaim It*, 24 Seattle University Law Review 851 (2001) provides a good analysis of our current vesting problems.

GMA Goal Number 7: Process Permits in a Timely and Fair Manner

Findings

- Regulatory reform laws adopted since the passage of the Growth Management Act have enhanced the predictability of the development review process.
- The provision of the regulatory reform law that requires appellants to pay attorney's fees if they lose their appeals at the local, superior court and court of appeals inappropriately

discourage appellants from taking important appeals cases beyond the superior court level, where decisions are often made by judges who do not have significant land use expertise.

Recommendations

- Monitor and report on the results of the Regulatory Reform laws on the permitting process.
- Provide equal access to due process by repealing the "loser pays" provision of land use appeals.

GMA Goal Number 8: Conserve Forest, Agricultural, and Mineral Lands

Findings

- The percentage of total farmland that has been designated for conservation under the Act varies widely from county to county.
- There is a lack of data to evaluate the extent to which forest lands are designated and conserved under the Act.
- Natural resources of state-wide significance are not addressed in GMA.

Recommendations

- There should be additional state guidance and standards for designation and conservation of natural resources so that important resource lands are protected consistently throughout the state.
- The State should gather data related to forest and farmland conservation and should monitor and report regularly conversion of resource lands to urban uses.
- The State should identify natural resource lands of state-wide significance and develop a strategy to protect these lands.

GMA Goal Number 9: Encourage the Retention of Open Space

Recommendations

- State and County governments should appropriate funding annually to buy and/or protect farm and forest land and critical habitat as well as providing new parks and other open space. The can be matched by federal funding under the Federal Farm Bill.
- Place more emphasis on land acquisition, Transfer of Development Rights (TDR) and Purchase of Development Rights (PDR) as strategies to achieve growth management goals. Due to the efforts of 1000 Friends of Washington, the American Farmland Trust, and, especially many state legislators including Representative Kelly Linville, Chapter 280, Laws of 2002 was passed. This new law creates a program within the Washington Conservation Commission to gather, hold, and distribute moneys to buying agricultural development rights that run in perpetuity with the land. The Conservation Commission is to actively pursue funds and regularly report to the legislature.

GMA Goal Number 10: Protect Critical Areas

Findings

- The State of Washington Office of Community Development's (OCD's) survey of critical areas ordinances demonstrates that there is a wide range in the protection.
- Relatively few county ordinances meet the standard of the best available science.
- The requirement that best available science be included in the regulations has been an important addition to the GMA.
- It is critical to link watershed planning and planning for salmon recovery under the Endangered Species Act with Growth Management planning.

Recommendations

- The State should provide more guidance to local governments on measures that actually work to protect wetlands and other critical areas, and on regulatory strategies that have not proven successful.

GMA Goal Number 11: Encourage Citizen Involvement in Planning

Findings

- GMA has achieved a heightened public awareness of planning issues.
- Public opinion is evolving toward greater support of compact growth.

Recommendations

- Local governments should continue to pursue innovative ways to get the public engaged in growth issues.
- There is a critical need for a widespread public education campaign relating important growth issues to people's everyday choices.

GMA Goal Number 12: Ensure Concurrency for Public Facilities and Services

Findings

- Washington does not systematically collect data from which the effectiveness of transportation concurrency can be comprehensively evaluated. Neither does the state have clearly defined criteria by which to determine whether transportation concurrency is achieving its underlying goal — improving mobility and accessibility.
- Regulating growth primarily to limit roadway congestion is not a uniformly desirable goal, especially in an urban setting with many transportation choices. Ultimately, as concurrency directs development to areas with available roadway capacity, it may fuel sprawl and further reduce transportation level of service standards.
- There is a significant funding gap between the infrastructure needs established in local comprehensive plans and the resources available to fund those needs.
- Washington needs to improve funding for capital facilities.

Recommendations

- Assess the effectiveness of concurrency, including a particular focus on transportation concurrency, through a state-sponsored study that examines the current problems and changes needed to improve and fund the administration of concurrency.
- Cities should use the flexibility in the GMA concurrency requirement to achieve concurrency in a way that also achieves the planning goals of urban infill, urban redevelopment and downtown revitalization. Encourage greater emphasis on alternative transportation modes as part of concurrency.
- Develop and implement local and state funding options to address the infrastructure funding gap (now estimated at $3.05 billion).

GMA Goal Number 13: Historic & Archeological Preservation

Findings

- Historic neighborhoods are most likely to be attractive, walkable places with a mix of residential and retail uses—just the kinds of compact places that Act encourages.
- The Act's anti-sprawl measures encourage the protection of historic and archeological resources.

Enforcement & Administration of the GMA

Findings

- The Hearings Boards have been a very important part of clarifying the substance and intent of GMA.
- Local government compliance with GMA has been uneven. Those jurisdictions whose plans have been appealed have been held to a higher standard than those whose plans have not.
- The "clearly erroneous" standard of review before the Hearings Board creates undue hurdles for citizens appealing local government plans and regulations. The previous standard of "preponderance of the evidence" provided a more balanced approach to establishing local government compliance with the law.

Recommendations

- The state should take a greater role in the review of comprehensive plans and development regulations to ensure that these GMA enactments comply with the law and to achieve greater consistency in the level of compliance. The state should review and approve comprehensive plans and development regulations.
- The Act should be amended to reinstate the "preponderance of the evidence" as the standard of review before the Hearings Board.
- The Office of Community Development (OCD) should have the authority to make binding rules interpreting the GMA through notice and comment rule making. The rules should be based on broad public involvement and respect regional diversity. The Best Available Science rule is a good example of such a process. Unfortunately, because it is a mere recommendation, cities and counties cannot rely on it.

Pricing & Financing Reforms to Encourage Smart Growth

Incentives are a powerful tool for encouraging good development. They cannot work alone, but when coupled with regulations they can be powerful forces for good. *Pricing Growth* includes both tools that local governments can use now and a series of reforms state and local governments should adopt. The reforms are:

- Adopt a Washington Smart Growth Investment Strategy. Target state grants, loans, facilities, and spending to existing downtowns, town centers, urban growth areas, industrial areas and other locally determined smart growth sites.
- MPOs and RTPOs Should Target Federal Transportation Capacity Funding to Smart Growth Locations. Metropolitan Planning Organizations (MPOs) and Rural Transportation Planning Organizations (RTPOs) already identify transportation needs and help distribute federal funding. They should target federal transportation capacity funding to priority smart growth locations, especially those having difficulty attracting private investments to encourage their development.
- Reform State Laws on Development Mitigation. The state laws that authorize development mitigation, RCW 82.02.020, should be updated and made more flexible and effective.
- Reform Impact Fee Authorities. Impact fees are payments made by new developments to fund the capital facilities needed to accommodate growth. They can be charged for transportation, parks and recreation, school, and fire facilities. The state laws authorizing these fees should be updated to make their administration and use more effective.
- Authorize Street Utilities. A utility charge is a payment to fund the maintenance of a public facility, in this case streets. Due to the Washington State Supreme Court decision in *Covell v. City of Seattle*, 127 Wn.2d 874, 905 P2d 324 (1995); street utilities are not allowed in Washington State. The street utility laws and, if needed, the state constitution should be amended to allow local governments to adopt a street utility and use the additional revenues to help reduce general taxes such as property or sales taxes.
- Authorize Fiscal Home Rule. Fiscal home rule refers to allowing local governments to enact the taxes of their choice within the requirements of the Washington State and U.S. Constitutions. Currently in Washington State, local governments can only adopt taxes and charges authorized by state law and this gives local governments little flexibility in raising revenues. Fiscal home rule will allow a community to plan for the future it wants and design a tax system to fit that community, rather than to design the community to fit Washington's current tax system.
- Adopt a Development Excise Tax to Fund Growth Management Planning. High quality and effective planning can lead both to smart growth and more efficient permitting, reducing development costs. Adequate funding is needed for good capital facility planning. Community- or neighborhood-wide environmental review is also more effective and cheaper than the predominate project-by-project approach. A development excise tax, a tax paid during the development process, will allow local governments to effectively do this work.
- Comprehensive Tax Reforms. A variety of property and other tax reforms have been suggested. The legislature should comprehensively consider these ideas.

The 12-year anniversary of the Growth Management Act offers an important opportunity to reflect on our experience, and take a much needed step towards the next level of managing growth in Washington. After nearly 12 years of experience, the strengths and weakness of the existing approach are fairly clear. Although the Growth Management Act has started important changes in the patterns of growth and development in Washington, we will not succeed in protecting our quality of life without some important new tools and reforms.

The good news is that polls show tremendous concern about the impacts of overdevelopment and support for many smart growth strategies. Over sixty percent of suburban voters favor "strong limits on development to protect quality of life." (Hart, 1999) Nearly half of King County residents believe the county is growing "much too fast." (Gilmore, 1998) Support for impact fees and for investing in mass transit rather than new roads reaches into the high sixties even in the suburbs. (Hart, 1999)

Now is the time to retool and innovate to take advantage of the lessons learned from the Washington experience and the recent experience of other states. Important reforms have already been made. Tapping into the public's support and making continued progress on growth management will require diligence and political leadership, but is well worth it. Our quality of life and our future depend on it.

Attachment 1: Washington State Counties National Ranking, Ranked by Numeric Population Change: 1990 to 2000

National Rank (of 3141 Counties)	County	Census Population April 1, 1990	Census Population April 1, 2000	Change, 1990 to 2000 Numeric	Change, 1990 to 2000 Percent	National Percentile Rank	Fully Planning Under GMA
18	King County	1,507,319	1,737,034	229,715	15.2	0.57%	GMA
38	Snohomish County	465,642	606,024	140,382	30.1	1.21%	GMA
50	Pierce County	586,203	700,820	114,617	19.6	1.59%	GMA
55	Clark County	238,053	345,238	107,185	45.0	1.75%	GMA
128	Spokane County	361,364	417,939	56,575	15.7	4.08%	GMA
167	Thurston County	161,238	207,355	46,117	28.6	5.32%	GMA
181	Kitsap County	189,731	231,969	42,238	22.3	5.76%	GMA
202	Whatcom County	127,780	166,814	39,034	30.5	6.43%	GMA
225	Yakima County	188,823	222,581	33,758	17.9	7.16%	GMA
249	Benton County	112,560	142,475	29,915	26.6	7.93%	GMA
302	Skagit County	79,555	102,979	23,424	29.4	9.61%	GMA
359	Grant County	54,758	74,698	19,940	36.4	11.43%	GMA
443	Chelan County	52,250	66,616	14,366	27.5	14.10%	GMA
511	Franklin County	37,473	49,347	11,874	31.7	16.27%	GMA
529	Island County	60,195	71,558	11,363	18.9	16.84%	GMA
537	Mason County	38,341	49,405	11,064	28.9	17.10%	GMA
551	Cowlitz County	82,119	92,948	10,829	13.2	17.54%	
617	Lewis County	59,358	68,600	9,242	15.6	19.64%	GMA
621	Stevens County	30,948	40,066	9,118	29.5	19.77%	GMA
676	Clallam County	56,464	64,525	8,061	14.3	21.52%	GMA
762	Walla Walla County	48,439	55,180	6,741	13.9	24.26%	GMA
772	Kittitas County	26,725	33,362	6,637	24.8	24.58%	GMA
793	Douglas County	26,205	32,603	6,398	24.4	25.25%	GMA
809	Okanogan County	33,350	39,564	6,214	18.6	25.76%	
831	Jefferson County	20,146	25,953	5,807	28.8	26.46%	GMA
1033	San Juan County	10,035	14,077	4,042	40.3	32.89%	GMA
1202	Grays Harbor County	64,175	67,194	3,019	4.7	38.27%	
1223	Asotin County	17,605	20,551	2,946	16.7	38.94%	
1264	Adams County	13,603	16,428	2,825	20.8	40.24%	
1266	Pend Oreille County	8,915	11,732	2,817	31.6	40.31%	GMA
1338	Klickitat County	16,616	19,161	2,545	15.3	42.60%	
1467	Pacific County	18,882	20,984	2,102	11.1	46.70%	GMA
1505	Whitman County	38,775	40,740	1,965	5.1	47.91%	
1640	Skamania County	8,289	9,872	1,583	19.1	52.21%	
1730	Lincoln County	8,864	10,184	1,320	14.9	55.08%	
1883	Ferry County	6,295	7,260	965	15.3	59.95%	GMA
2110	Wahkiakum County	3,327	3,824	497	14.9	67.18%	
2345	Garfield County	2,248	2,397	149	6.6	74.66%	GMA
2426	Columbia County	4,024	4,064	40	1.0	77.24%	GMA
7	Washington State	4,866,692	5,894,121	1,027,429	21.1	14.00%	

Note: 1990 populations shown in this table were originally published in 1990 Census reports and do not include subsequent revisions due to boundary or other changes.
GMA means the county is fully planning under RCW 36.70A.040.
Source: U.S. Census Bureau, Census 2000 Redistricting Data (P.L. 94-171) Summary File and 1990 Census.
Internet Release date: April 2, 2001

Attachment 2: Nonagricultural Employment by County: 1990 & 2000

	1990	2000	Actual Change 90 to 2000	Percent Change 90 to 2000	Fully Planning
Adams County	4,710	5,350	640	13.59%	
Asotin County	3,640	4,930	1,290	35.44%	
Benton & Franklin Counties[1]	62,200	76,200	14,000	22.51%	GMA
Chelan & Douglas Counties[2]	28,710	36,380	7,670	26.72%	GMA
Clallam County	18,190	20,900	2,710	14.90%	GMA
Clark County	80,900	117,200	36,300	44.87%	GMA
Columbia County	1,490	1,560	70	4.70%	GMA
Cowlitz County	34,430	38,590	4,160	12.08%	
Ferry County	1,850	1,740	-110	-5.95%	GMA
Garfield County	660	850	190	28.79%	GMA
Grant County	17,040	23,940	6,900	40.49%	GMA
Grays Harbor County	23,330	23,840	510	2.19%	
Island County	11,410	14,530	3,120	27.34%	GMA
Jefferson County	5,920	8,090	2,170	36.66%	GMA
King County	942,900	1,192,500	249,600	26.47%	GMA
Kitsap County	65,100	74,300	9,200	14.13%	GMA
Kittitas County	10,160	12,650	2,490	24.51%	GMA
Klickitat County	4,970	5,630	660	13.28%	
Lewis County	21,120	24,820	3,700	17.52%	GMA
Lincoln County	2,200	2,750	550	25.00%	
Mason County	9,310	12,170	2,860	30.72%	GMA
Okanogan County	10,860	13,320	2,460	22.65%	
Pacific County	5,200	5,780	580	11.15%	GMA
Pend Oreille County	1,940	2,640	700	36.08%	GMA
Pierce County	193,400	243,300	49,900	25.80%	GMA
San Juan County	3,730	5,060	1,330	35.66%	GMA
Skagit County	29,730	41,990	12,260	41.24%	GMA
Skamania County	1,900	2,070	170	8.95%	
Snohomish County	169,200	215,400	46,200	27.30%	GMA
Spokane County	154,000	195,300	41,300	26.82%	GMA
Stevens County	7,650	9,990	2,340	30.59%	GMA
Thurston County	65,500	84,700	19,200	29.31%	GMA
Wahkiakum County	620	820	200	32.26%	
Walla Walla County	19,720	22,250	2,530	12.83%	GMA
Whatcom County	54,000	68,100	14,100	26.11%	GMA
Whitman County	16,360	19,440	3,080	18.83%	
Yakima County	64,800	75,900	11,100	17.13%	GMA
Washington State	2,142,500	2,716,800	574,300	26.81%	

GMA means the county is fully planning under RCW 36.70A.040. King County & State 2000 data are preliminary.

[1] Nonagricultural wage and salary workers employed in the Richland-Kennewick-Pasco MSA Benton & Franklin Counties).

[2] Nonagricultural wage and salary workers employed in the Wenatchee Labor Market area (Chelan and Douglas Counties).

Source: State of Washington Employment Security Department (2002)

Attachment 3: GMA Planning Grants by County 1991 to 2003

County	FY 1991	FY 1992	FY 1993	93-95 Biennium	95-97 Biennium	97-99 Biennium	FY 2000	FY 2001	01-03 Biennium	Total
Adams	$0	$43,720	$0	$0	$0	$0	$0	$0	$39,700	$83,420
Asotin	$0	$39,450	$0	$0	$0	$0	$0	$0	$25,250	$64,700
Benton	$75,000	$263,016	$211,548	$348,168	$112,509	$74,546	$47,000	$13,000	$212,750	$1,357,537
Chelan	$146,484	$175,544	$144,986	$174,617	$57,411	$37,537	$75,000	$106,205	$144,250	$1,062,034
Clallam	$156,329	$183,070	$150,712	$183,017	$59,141	$39,342	$0	$50,000	$111,250	$932,861
Clark	$401,314	$455,426	$357,963	$506,746	$163,751	$500	$50,000	$20,000	$250,500	$2,206,200
Columbia	$0	$79,800	$69,947	$147,756	$73,529	$31,762	$10,475	$10,000	$63,000	$486,269
Cowlitz	$0	$50,000	$0	$0	$0	$0	$0	$0	$37,875	$87,875
Douglas	$75,000	$139,050	$117,215	$164,795	$53,513	$36,745	$42,000	$70,000	$121,250	$819,568
Ferry	$75,000	$109,230	$94,524	$139,165	$46,970	$29,915	$0	$20,000	$57,750	$572,554
Franklin	$75,000	$154,812	$129,209	$189,297	$61,170	$38,767	$20,000	$25,000	$111,750	$805,005
Garfield	$0	$77,760	$68,110	$142,156	$45,937	$30,558	$0	$0	$60,500	$425,021
Grant	$0	$180,088	$148,443	$362,612	$109,271	$65,258	$95,000	$0	$168,500	$1,129,172
Grays Harbor	$0	$50,000	$0	$0	$0	$0	$0	$0	$35,500	$85,500
Island	$159,468	$189,034	$155,251	$190,951	$66,704	$41,047	$0	$20,000	$120,250	$942,705
Jefferson	$103,536	$130,672	$110,840	$186,087	$60,133	$40,002	$30,000	$35,000	$90,750	$787,020
King	$2,190,692	$2,290,066	$1,754,041	$2,557,411	$979,978	$272,629	$523,871	$162,470	$998,964	$11,730,122
Kitsap	$344,384	$3,790,330	$299,829	$414,187	$72,275	$0	$20,000	$134,300	$172,500	$5,247,805
Kittitas	$75,000	$138,908	$117,107	$188,311	$60,853	$34,532	$0	$20,500	$126,750	$761,961
Klickitat	$0	$37,735	$0	$0	$0	$0	$0	$0	$3,000	$40,735
Lewis	$0	$40,928	$0	$370,701	$370,701	$374,284	$55,000	$47,500	$173,000	$1,432,114
Lincoln	$0	$37,225	$0	$0	$0	$0	$0	$0	$46,000	$83,225
Mason	$129,647	$156,658	$130,614	$231,356	$74,761	$54,733	$48,000	$20,000	$94,500	$940,269
Okanogan	$0	$48,770	$0	$0	$0	$0	$0	$0	$46,500	$95,270
Pacific	$75,000	$127,264	$108,247	$147,877	$56,804	$15,894	$15,000	$0	$122,750	$668,836
Pend Oreille	$75,000	$113,064	$97,441	$146,217	$47,250	$34,430	$30,000	$22,000	$56,500	$621,902
Pierce	$894,709	$957,396	$739,939	$1,084,207	$520,555	$160,233	$175,442	$163,662	$415,250	$5,111,393
San Juan	$89,411	$115,194	$99,062	$159,018	$61,386	$34,183	$10,000	$0	$60,000	$628,254
Skagit	$183,581	$217,576	$176,970	$225,175	$82,764	$48,404	$122,000	$6,000	$168,000	$1,230,470
Skamania	$0	$37,125	$0	$0	$0	$0	$0	$0	$15,750	$52,875
Snohomish	$717,355	$787,280	$610,489	$882,617	$213,762	$1,000	$30,000	$254,900	$418,500	$3,915,903
Spokane	$0	$50,000	$0	$1,368,498	$721,492	$1,389,533	$120,000	$66,500	$171,600	$3,887,623
Stevens	$0	$42,875	$0	$278,918	$278,918	$281,953	$22,000	$20,000	$85,750	$1,010,414
Thurston	$305,860	$338,560	$269,033	$368,295	$132,512	$5,000	$41,435	$82,500	$194,250	$1,737,445
Wahkiakum	$75,000	$170,006	$140,771	$210,104	$0	$0	$0	$0	$9,000	$604,881
Walla Walla	$0	$35,825	$0	$0	$67,943	$45,164	$0	$10,000	$132,250	$291,182
Whatcom	$255,350	$287,724	$230,349	$306,692	$121,485	$65,927	$15,000	$145,500	$203,250	$1,631,277
Whitman	$0	$44,625	$0	$0	$0	$0	$0	$0	$55,150	$99,775
Yakima	$348,379	$370,510	$293,346	$393,964	$127,307	$84,687	$54,500	$52,925	$266,750	$1,992,368
Totals	$7,026,499	$12,556,316	$6,825,986	$12,068,915	$4,900,786	$3,368,565	$1,651,723	$1,577,962	$5,686,789	$55,663,540