

## **SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET**

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**ITEM NO:** D-4  
**DATE:** May 27, 2010  
**SUBJECT:** 2011 Comprehensive Plan Update – Population Projection  
**CONTACT PERSON:** Deborah Knight, City Administrator

**ISSUE:**

The issue before the city council is to review the alternatives for the population projection for the 2011 Comprehensive Plan Update and provide direction to staff.

There are three alternatives presented in this report:

1. Keep the population projection at 11,119 and the 2025 planning period. This approach is consistent with the Growth Management Act and 7-year update.
2. Keep the population projection at 11,119 and extend the planning period to 2030. This in effect slows the rate of growth and the population projection for 2025.
3. Extend the planning horizon to 2030 and increase the population projection based on the Puget Sound Regional Council Growth Strategy.

**STAFF RECOMMENDATION:**

Keep the planning horizon for the 7-year update of the comprehensive plan at 2025 consistent with the growth management act and do not amend the population allocation.

**SUMMARY:**

Population Projection

The future population projection is the foundation of the comprehensive plan. The 2004 comprehensive plan is built on a projection of 11,119 people by the year 2025. The population projection is used to establish land use, future zoning, levels of service, financing strategies, capital facility investments, and other planning efforts.

The city must establish the population projection before beginning any other technical planning efforts.

7-Year Comprehensive Plan Update

The city has started the 7-year update to the 2008 Revision to the 2004 Comprehensive Plan (2004 Plan). The city council has directed staff to focus the 7-year update on aligning the city's comprehensive plan goals and policies with the multi-county planning policies (MPP) and countywide planning policies (CPP).

The approach is to amend the comprehensive plan goals and policies during the 7-year update. This will lay the foundation for changes to the future land use map and zoning during the 10-year update. The 10-year update is scheduled to begin in 2012 with final adoption in 2015.

#### 10-Year Comprehensive Plan Update

The 10-year update is the time when Snohomish County and the cities within the county jointly plan for new population allocations provided by OFM population projections for counties. Unlike Pierce and King Counties, Snohomish County has decided not to develop population allocations for the 7-year update (Attachment A). Instead the county proposes to provide "*early, preliminary indication[s] of potential growth to 2035.*" The county's "preliminary indications" won't be available until the third or fourth quarter of 2010.

#### Revising the Population Projection

Initially, city staff considered extending the plan horizon from 2025 to 2030 as a part of the 7-year update without increasing the population projection.

City staff met with Snohomish County staff and Bill Grimes with Studio Cascade in early May to discuss this alternative. Unfortunately in order to adjust the population allocation the city would need to work through Snohomish County Tomorrow for approval.

The time line to adjust the population allocation could take three to six months or more. This exceeds the time the city has schedule to amend the plan for the 7-year update. Delaying the 7-year update to amend the population allocation would push back the timeline for adopting the 2011 Comprehensive Plan.

The city also discussed extending the plan horizon until 2030. This decision would require adjusting the population without the benefit of participation within Snohomish County Tomorrow. The county plans to provide some early estimates of potential growth to 2035 for cities to include in their planning efforts.

#### Staff Recommendation

After discussing the issue with the county and our consultant team city staff recommend keeping the planning horizon for the 7-year update of the comprehensive plan at 2025 consistent with the growth management act and not amending the population allocation.

### **DISCUSSION:**

1. The GMA requires jurisdictions use population projections from the Washington State Office of Financial Management (OFM). These projections are developed every 5 years (RCW 43.62.035). The most recent 20 year population forecast was issued in 2007. The next one will be issued in 2012.
2. There is no requirement under the Growth Management Act (GMA) to revise population allocations during the 7-year update. The GMA requires only that jurisdictions evaluate the existing, adopted 2025 population allocations in relation to the most recent Office of Financial Management projections to see if growth is “on track”.
3. The city’s population projection must be consistent throughout the plan which should be consistent with the OFM forecast for the county or the county’s sub-county allocation of that forecast (RCW 43.62.035).
4. In 2009, Snohomish County Tomorrow (SCT) adopted Resolution No. xxx-xxx determining not to develop population allocations until the 10-year update. Population allocations are expected to begin in 2012 with final adoption in 2015.
5. The state-required update of local comprehensive plans in 2011 provides the opportunity for local jurisdictions to incorporate new residential and employment targets into their comprehensive plans.
6. As the regional metropolitan planning organization, Puget Sound Regional Council (PSRC) has adopted a Regional Growth Strategy. The Strategy provides regional guidance for counties, cities, and towns to use as they develop new local population and employment growth targets and update local comprehensive plans.
7. The Puget Sound Regional Council’s Regional Growth Strategy recognizes some cities will plan for growth targets that are above or below the policy direction set by the Regional Growth Strategy.
8. PSRC expects cities to explain what steps they are taking to “bend the trend” of recent growth to align with the concepts in Vision 2040.
9. Jurisdictions are asked to explain steps being taken to align with the regional guidance. PSRC recognizes that the allocations in the Regional Growth Strategy are for 2040 and that the planning process between now and then may not be linear.
10. Under Vision 2040, Sultan is designated as a “free-standing small city” meaning it is an urban island surrounded by rural and resource lands and separated from the contiguous urban growth area.
11. Due to their isolation from the rest of the designated urban growth area, free-standing small cities, such as Sultan, are not expected to grow as much as small cities within the contiguous urban growth area.
12. PSRC estimates small cities in Snohomish County will grow by 8% (37,000) by 2040. There are 9 small cities in Snohomish County including Snohomish and Stanwood. Some smaller cities such as Index, Darrington and Woodway are likely to have growth in the hundreds rather than thousands. Sultan is likely to

receive a significant allocation even though historic trends are much lower than projected.

13. Sultan's 2004 comprehensive plan anticipated a 5.3% growth rate in order to achieve the growth target of 11,119.

14. Since the 2004 Plan was adopted, the city's average growth rate is approximately 4.5%. Snohomish County estimates Sultan's historic average annual change is 3.6%. In order to achieve the population allocation by 2025, the city must achieve an annual growth rate of 4.9%. The city must have an annual growth rate of 3.8% in order to achieve the population allocation by 2030.

### **ANALYSIS:**

The population allocation for 2025 (11,119) can't be changed in the 7-year update without going through a lengthy county process. Sultan will wait until the 10-year update beginning in 2012 to work with the county on revising the population and growth forecast for the comprehensive plan.

The city's planning consultant, EcoNorthwest will provide draft population forecasts for 2030, 2035 and 2040. The population forecast will be a range (high, medium, low) for the 2030, 2035 and 2040. The 2040 forecast will be consistent with the PSRC Regional Growth Strategy in Vision 2040.

The water and sewer plans will continue with the 2030 planning horizon. Using EcoNorthwest's work, the city will provide RH2 with a population range for 2030 to use in the water system plan and general sewer plan.

EcoNorthwest will review the population distributions from the 2008 Revision to the 2004 Comprehensive Plan and the Snohomish County Buildable Lands Report. Based on EcoNorthwest's work, the city may provide RH2 with revised population distributions for 2030 to assist in allocating capital resources in the water system plan and general sewer plan.

The technical data (demographics, etc.) in the land use element will not be changed unless necessary.

### **FISCAL IMPACT:**

There is no direct fiscal impact associated with this policy discussion. The work by EcoNorthwest is included in the consultant contract with Studio Cascade.

### **ALTERNATIVES:**

1. Keep the population projection at 11,119 and the 2025 planning period. This approach is consistent with the Growth Management Act.

2. Keep the population projection at 11,119 and extend the planning horizon to 2030. This in effect slows the rate of growth and the population projection for 2025.
3. Extend the planning horizon to 2030 and adjust the population projection based on the Regional Growth Strategy.

**RECOMMENDED ACTION:**

After discussing the issue with the county and our consultant team city staff recommend keeping the planning horizon for the 7-year update of the comprehensive plan at 2025 consistent with the growth management act and not amending the population allocation.

**ATTACHMENT**

A – Snohomish County Growth Target Updates Memo to PAC 03-12-2009

# Snohomish County Tomorrow Proposed Approach and Schedule for Next Round of Growth Target Updates

For PAC Review and Recommendation on March 12, 2009

## Summary of Recommended Action:

- 1. Continue the process of updating the Countywide Planning Policies (CPP's) for consistency with the Vision 2040 Multicounty Planning Policies, to be completed by December 31, 2010.*
- 2. Keep the two upcoming GMA-mandated formal plan updates separate: 2011 for the 7-year compliance review and plan updates, and 2015 for the 10-year UGA update, with the next formal growth target update occurring in preparation for the 10-year UGA update in 2015.*
- 3. Provide an opportunity for local jurisdictions to update their plans to reflect the Vision 2040 Regional Growth Strategy by 2011 based on an early, preliminary indication of potential growth to 2035.*

## Background:

The Growth Management Act (GMA) requires periodic reviews and updates of county and city comprehensive plans according to the following schedules:

- Local plan compliance review and update every 7 years (next due in 2011).
- UGA review and update at least every 10 years (next due by 2015).

GMA specifies that development of new 20-year growth targets for sizing UGAs is **mandatory** for the 10-year updates, but **optional** for the 7-year updates if it is determined that current adopted targets are consistent with the most recent Office of Financial Management (OFM) population projections for the county and Countywide Planning Policy (CPP) allocations.

In 2008, adoption of the Puget Sound Regional Council's (PSRC) Vision 2040 regional plan created new priorities for county and city updates:

- CPPs need to be consistent with the Vision 2040 Multicounty Planning Policies (MPPs) by December 31, 2010.
- Local plans need to align with Vision 2040 and the CPPs at the time of the 7-year updates in 2011.

Vision 2040 contains a Regional Growth Strategy (RGS) that assigns 2000-2040 population and employment growth shares to each regional geography within the county<sup>1</sup>. As a result, questions have arisen as to when new growth targets, consistent with these new allocations, need to be developed and incorporated into Snohomish County's CPPs and local plans.

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<sup>1</sup> Regional geographies are categories of different types of jurisdictions. They include: Metropolitan Cities, Core Cities, Larger Cities, Small Cities, Unincorporated UGAs, and the Rural Area.

Although PSRC staff has encouraged jurisdictions in the region to update their growth targets based on the new RGS in time for the 2011 local plan updates, they acknowledge that neither GMA nor Vision 2040 requires this if current targets are consistent with the most recent OFM population projections and CPPs. For counties that are planning to update their 20-year targets after 2011 in preparation for the next GMA-required 10-year UGA update, PSRC has instead requested a written description by December 31, 2010 of the proposed approach and schedule for incorporating the Vision 2040 RGS into the next round of growth target updates.

To help decide on a coordinated, multi-year schedule for the county and cities to follow in developing the next round of 20-year growth targets, the Snohomish County Tomorrow (SCT) Planning Advisory Committee (PAC) considered and discussed three options. Options 1 and 2 received the most attention and they are described briefly below.

**Option 1 – Phased Approach: Next target update occurs for the 10-year UGA update in 2015.** This approach would mirror the growth target update schedule used by SCT for the county’s previous 10-year UGA update in 2005.<sup>2</sup> The SCT growth target update process would begin in 2012 with the release of the next OFM population projections for counties. Initial SCT 2035 growth targets would be developed by 2013 and reconciled by 2016.

**Option 2 – Expedited Approach: Next target update occurs for the 7-year local plan updates in 2011.** This approach would combine the 7-year and 10-year update efforts. The SCT growth target update process would begin in 2009 and would use the 2007 OFM population projections for counties. Initial SCT 2031 growth targets would be developed by 2010 and reconciled by 2012.

**Discussion:**

Some PAC members indicated that Option #1 represents the best option for ensuring a logical, streamlined schedule of interjurisdictional work over the next 8 years. They asserted that the next round of target updates should occur in preparation for the 10-year update in 2015 so that it is informed by the Census 2010 results released in 2011/2012, new OFM population projections in 2012, and the Buildable Lands and Housing Evaluation reports in 2012. Even if Option #2 (Expedited Approach) was chosen, they observed that, based on past experience, work would ideally have already begun in 2008 at SCT to develop new targets in time for a 2010 CPP update and 2011 local plan updates. In addition, severe local budget constraints at this time make it difficult to take on this expedited planning workload.

Other PAC members stressed that the GMA 10-year UGA update schedule, with the development of new SCT growth targets after 2011, does not meet the needs of the new planning direction and countywide evaluation stemming from the Vision 2040 Regional Growth Strategy.

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<sup>2</sup> Option 1 assumes an analysis and determination by 2011 that shows consistency of existing targets with the most recent OFM (2007) population projections and CPP allocations. Since Snohomish County’s adopted 2025 population target currently falls within the latest OFM population range, it is assumed that local planning can continue to rely on the growth target allocations completed for the previous 10-year UGA update in 2005.

They emphasized that local jurisdictions could benefit from updating their plans at the soonest possible time to reflect the Regional Growth Strategy by:

- Enabling local jurisdictions to begin planning for changes beyond the current planning horizon.
- Potentially showing early alignment with Vision 2040 numeric guidance in time for their 2011 plan updates.
- Providing early feedback to PSRC on how the regional vision could fit or how it needs adjustment to reflect local situations and realities.

In addition, some cities are focusing more on the 7-year plan update deadline for a comprehensive update of their GMA plans than they are the 10-year UGA update deadline. In their view, the 10-year UGA update, even though it requires the input of updated area and density information from cities, is perceived as predominantly a county responsibility and effort under GMA. Conversely, the county has focused more on the importance of the 10-year deadline for updating UGAs, in cooperation with the cities, so that they are capable of accommodating the succeeding 20-years of growth as required by GMA.

This difference in perspective on the importance of the 7-year vs. 10-year GMA update deadlines between some cities and the county was not as apparent during the last round of GMA plan updates compared with the upcoming round. The last set of local and county plan updates were in close proximity to one another, with 7-year updates occurring in 2004 and the 10-year update in 2005. This time, the 7-year updates are next due in 2011, while the 10-year UGA update is due in 2015 – a gap of 4 years. And added to this is the new requirement for consistency with the Vision 2040 RGS, making the task of coordinating the upcoming local plan updates even more problematic.

**Proposal:**

With Snohomish County planning to undertake its next significant planning update in the 2012-2015 timeframe, it has not currently reserved adequate time and budgetary resources to either move the process forward or do it twice to coincide with the desired 2011 timeframe of PSRC and some cities.

However, there would be a benefit to having an earlier cooperative planning process through SCT that would support some local jurisdictions' efforts to respond to the regional vision while also meeting their own local planning needs by 2011. These benefits may range from station area planning to transit oriented development, to simply figuring out how the regional vision may impact their plans in an extended planning horizon.

What is proposed is the following:

- 1. Continue the process of updating the Countywide Planning Policies (CPP's) for consistency with the Vision 2040 MPPs, to be completed by December 31, 2010.*

2. *Keep the two upcoming GMA-mandated formal plan updates separate: 2011 for the 7-year compliance review and plan updates, and 2015 for the 10-year UGA update, with the next formal growth target update occurring for the 10-year UGA update in 2015. (Option #1 above)*

3. *Provide an opportunity for local jurisdictions to update their plans to reflect the Regional Vision by 2011 based on an early, preliminary indication of potential growth to 2035.*

To accomplish step 3, it is proposed that county staff would extend the current 2025 population and employment growth targets to 2035, using information from:

- 2007 OFM medium population projection to 2030, extended to 2035 based on linear growth trends.
- Vision 2040 Regional Growth Strategy Allocations (including the 2009 technical amendment) by Regional Geography.
- 2007 BLR capacity information to help inform a breakdown of RGS growth allocations by Regional Geography to individual:
  - cities
  - unincorporated MUGAs
  - unincorporated UGAs
  - unincorporated rural/resource area.

Initially, this interim work would be done using April 1, 2007 city boundaries, as recognized by PSRC in the 2009 technical amendment to the Vision 2040 RGS. City boundaries may need to be updated for this effort in the event that the several large annexations that are currently proposed are realized in 2010.

The results of this work would be described in a technical working paper by the PAC. This paper would be developed by SCT in time for the December 2010 memorandum to PSRC describing the approach and schedule for incorporating the Vision 2040 RGS into the CPP and local growth targets subsequent to the 2011 plan updates.

These preliminary distributions of 2035 growth would be considered a “starting point” for local and SCT discussions. Local jurisdictions could optionally provide a discussion and evaluation of this information in their 2011 plan updates that showed whether or not these preliminary distributions could be attained with appropriate updates to their plan policies. It would be up to each jurisdiction to determine how far it desired to go in committing to new “numbers.” And, in any case, development of the formal 2035 targets by SCT would not begin until after the release of the OFM projections in 2012 in preparation for the 10-year UGA update in 2015.

The preliminary 2035 target work for 2011 plan updates could not be used by cities or the county to support UGA expansions prior to the next 10-year UGA update, however, since the current 2025 CPP targets remain in effect for UGA sizing decisions until replaced by 2035 targets in the CPPs for the next 10-year UGA update in 2015.

Roles for the various jurisdictions involved would be as follows:

- **Snohomish County Tomorrow via the PAC.** Oversee the technical work and provide a forum for policy discussions and coordination. Provide feedback to PSRC on the application of the Regional Vision in Snohomish County by December 31, 2010.
- **Snohomish County.** Provide information to SCT relating the Regional Vision to established growth targets and buildable lands data. This would be a technical exercise using existing forecast and capacity information, without requiring new research or data development.
- **Local Jurisdictions.** Update local plans to the extent desired, using the available information supplied above. Local jurisdictions would bring issues regarding consistency with Vision 2040 to the PAC for discussion.

DRAFT

## The Regional Growth Strategy by the Numbers

The VISION 2040 growth strategy is comprised of two parts. First is a growth concept that builds on the foundation provided in the Growth Management Act, emphasizing the role of the urban growth area and urban centers in accommodating future population and employment. The second part — the numbers by regional geographies — contains specific guidance for the distribution of growth.

The regional geographies framework calls for focusing growth primarily into different categories of cities, and recognizes the different roles of the region's counties in accommodating population and employment growth.

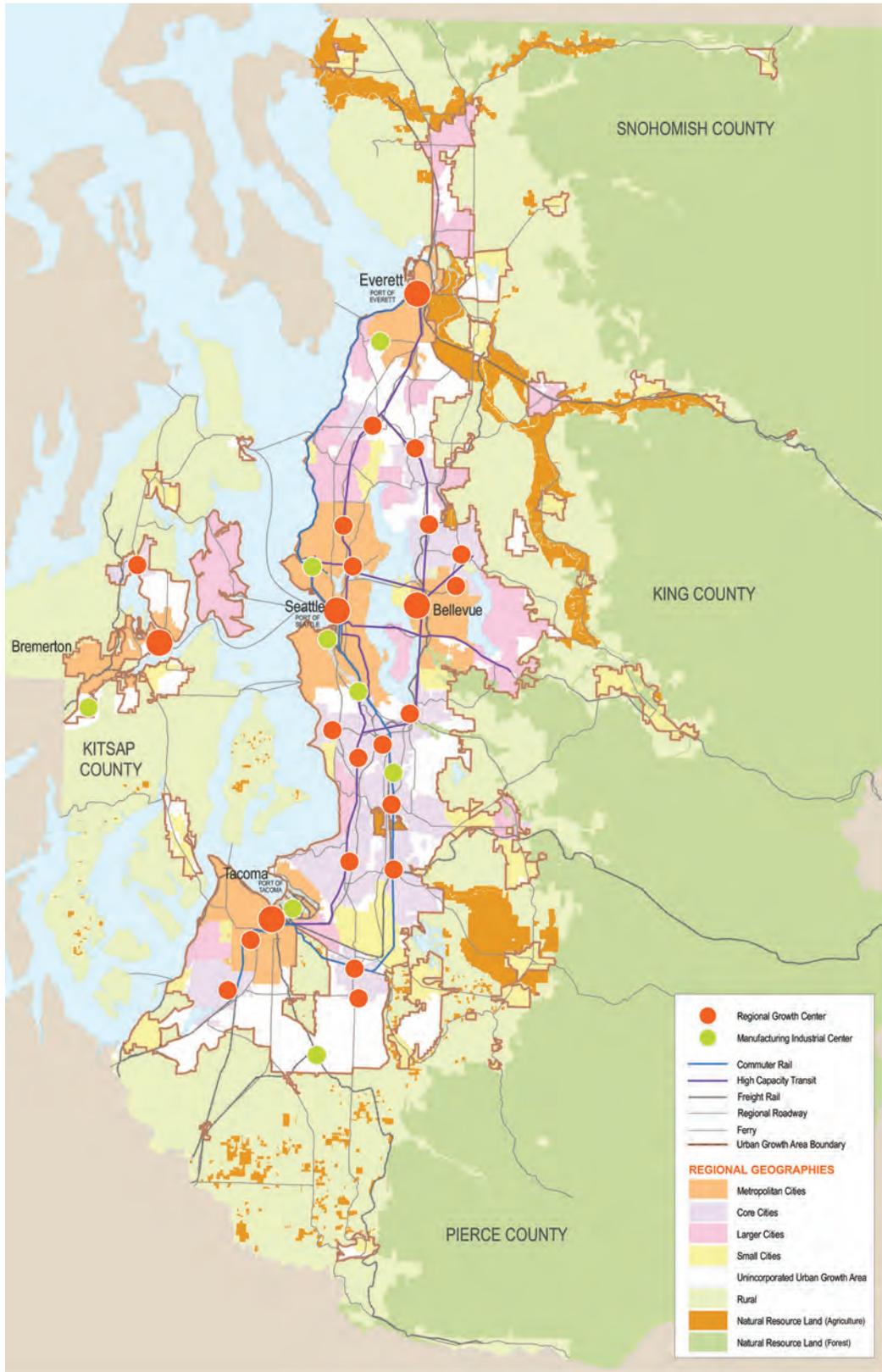
The *Regional Growth Strategy* is intended to guide and coordinate the region's cities and towns as they periodically update local residential and employment growth targets — based on population forecasts developed by the state Office of Financial Management — and amend their local comprehensive plans.

The *Regional Growth Strategy* calls for different regional geographies to accommodate different shares of population and employment growth — within the region as a whole, as well as within each county. While relative amounts may differ somewhat between counties, the roles of regional geographies within each county are consistent for the region as a whole. Within each county, the relative distribution of growth to individual cities will be determined through countywide target-setting, taking into account local circumstances.

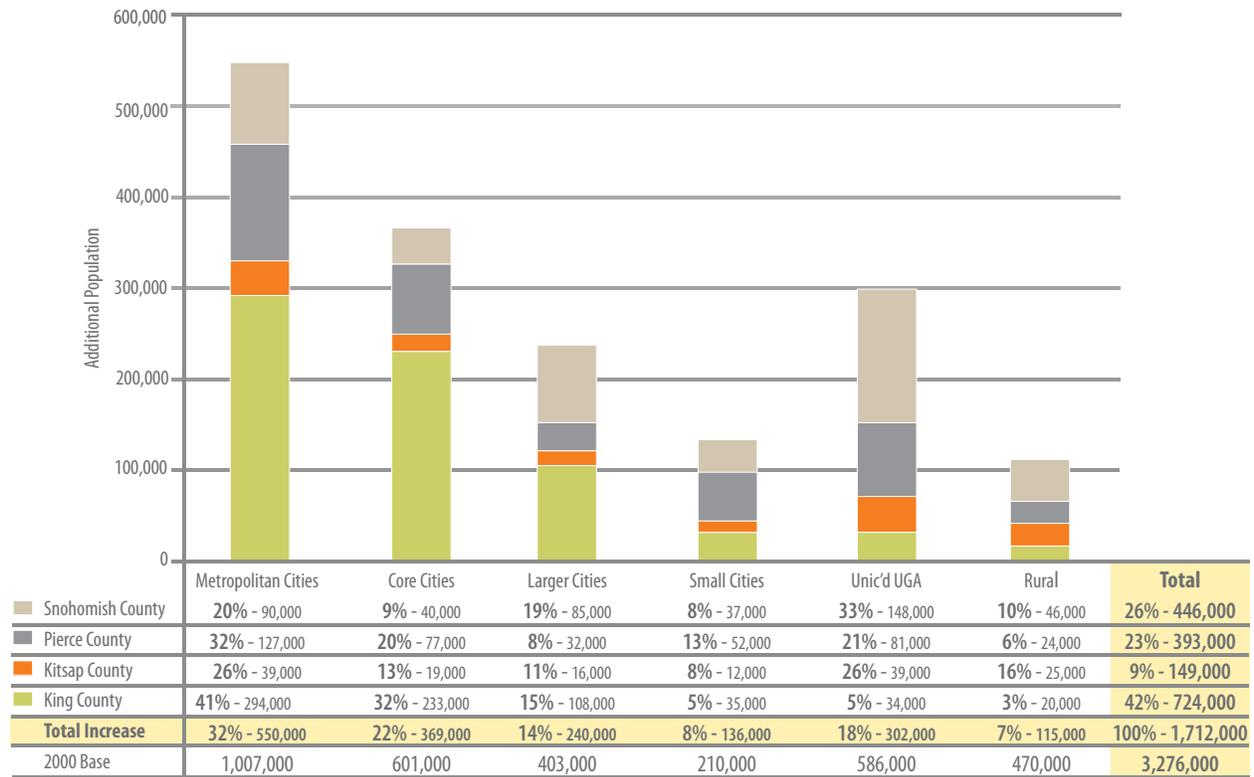
The distribution of growth in the *Regional Growth Strategy* was developed using Regional Council small area regional population and employment forecasts for the year 2040. When looking at the numbers in the tables that follow, the percentages of regional and county growth may be more useful for local planning than the specific numbers contained in the forecasts, as the numbers will change marginally in future rounds of regional forecasts.



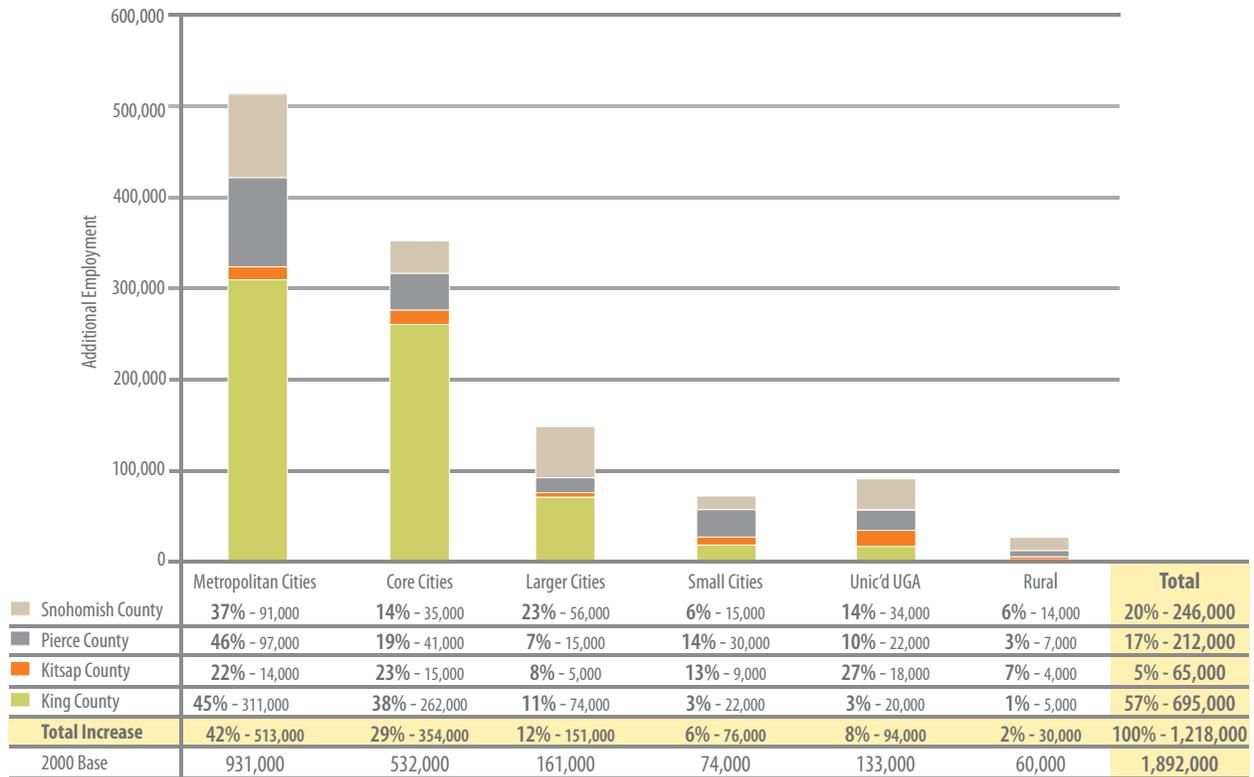
## Regional Growth Strategy for Central Puget Sound



### Population Growth by Regional Geography and County, 2000–2040



### Employment Growth by Regional Geography and County, 2000–2040



# City of Sultan Population

