

HOUSE BILL REPORT

HB 1726

As Reported by House Committee On: Local Government

Title: An act relating to growth management planning related to the development of population projections.

Brief Description: Planning for a supply of housing that accommodates growth.

Sponsors: Representatives Springer, Eddy, Curtis, Pettigrew, Dunn, Takko, Strow, B. Sullivan, Orcutt, Ahern, Anderson, Haler, Upthegrove, Simpson, Jarrett, Rodne, Sells, O'Brien, Newhouse, Miloscia, Hinkle, Walsh, McCune, Appleton, Kagi, Chase, Williams, Lovick, Linville, Quall, McDonald, Warnick, Kristiansen, Hurst, Seaquist and Kenney.

Brief History:

Committee Activity:

Local Government: 2/1/07, 2/23/07 [DPS].

Brief Summary of Substitute Bill

- Requires that the "countywide planning policy" adopted by a county under the Growth Management Act address policies related to the provision of a housing supply sufficient to accommodate employment growth and market demand for a variety of housing needs.
- Specifies the methodology and data that must be used by the Office of Financial Management in preparing its 20-year growth management population projections required under the Growth Management Act.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Simpson, Chair; Eddy, Vice Chair; Curtis, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Ross, B. Sullivan and Takko.

Staff: Thamas Osborn (786-7129).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

Overview of the Growth Management Act

The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the GMA (planning jurisdictions) and a reduced number of directives for all other counties and cities. Twenty-nine of 39 counties, and the cities within those counties, are planning jurisdictions.

The GMA directs planning jurisdictions to adopt internally consistent comprehensive land use plans, which are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must address specified planning elements, each of which is a subset of a comprehensive plan. Planning jurisdictions must also adopt development regulations that implement and conform with the comprehensive plan.

"Countywide Planning Policy" Required by the GMA

The legislative authority of each county fully planning under the GMA (GMA county) must adopt a "countywide planning policy" (CPP) in cooperation with the cities located in whole or part within the county. A CPP is a written policy statement or statements that is used for establishing a countywide framework from which county and city comprehensive plans are developed and adopted. The purpose of this planning framework is to ensure consistency among the required city and county comprehensive plans. The GMA provides specific procedural requirements and timelines governing the process by which counties and cities must collaborate in creating the CPP.

A CPP must address certain planning and analysis provisions, including policy considerations pertaining to:

- implementing urban growth area requirements;
- affordable housing needs;
- countywide economic development and employment;
- siting public capital facilities; and
- transportation needs.

Population Projections and Planning for Urban Growth Areas

Counties and cities are also required to satisfy specific planning requirements pertaining to urban growth areas (UGAs). Using population projections made by the Office of Financial Management (OFM), and subject to statutory requirements, GMA counties and each city within those counties must plan for population densities in UGAs so as to accommodate the urban growth that is projected to occur during the succeeding 20-year period.

Population Determination Requirements of the OFM

By April 1 of each year, the OFM is required to determine the population of each county of the state. Also, at least once every five years or upon the availability of decennial census

data, whichever is "later," the OFM must prepare 20-year growth management planning population projections for each GMA county. These projections are required to be expressed as a reasonable range developed within a standard high and low projection for the state. The middle range represents the OFM's estimate of the most likely population projection for a county.

Summary of Substitute Bill:

Additional Requirement for a Countywide Planning Policy

The substance of a CPP must address policies for the provision of a housing supply sufficient to accommodate employment growth and overall demand for all types of residential housing needs, including part-time, retirement, and second homes.

Changes to OFM Population Projection Requirements

The required time frame for OFM's reporting of its 20-year growth management population projections for counties is revised so as to require that the report be made once every five years or upon the availability of decennial census data, whichever is "sooner," rather than "later," as required under current law. The OFM is also required to publish annual comparisons by county of estimated job change with estimated housing unit change.

Comprehensive Requirements for OFM Population Projections

In calculating its 20-year growth management population projections, the OFM is required to apply a prescribed methodology, which includes the following components:

- a determination of the anticipated economic and job growth in the counties;
- reliance on specified national, state, and local economic data; and
- analysis of anticipated migrations within the state by retirees and telecommuters.

The bases for the OFM population projections for each county are specified, and include:

- each counties' share of statewide projected growth, based upon historic trends;
- population changes caused by births and deaths;
- a determination of anticipated economic and job growth in the county based upon specified factors;
- projected population increases and other factors present in adjacent counties that may cause a "spillover" in housing demand;
- projected net migration into the county calculated by reference to specified factors; and
- other relevant factors consistent with accepted demographic techniques.

Substitute Bill Compared to Original Bill:

The substitute bill makes the following changes to the original bill:

- authorizes the Office of Financial Management (OFM) to "consider" rather than "rely on" specified data pertaining to the preparation of its 20-year growth management planning population projections;

- authorizes the OFM to "consider" rather than "rely on" specified data pertaining to the preparation of its annual county population projections;
- eliminates the requirement that the OFM prepare supplemental 20-year growth projections on an annual basis;
- requires that the OFM publish annual comparisons by county of estimated job change with estimated housing unit change;
- eliminates the requirement that the "regional market" be considered in countywide planning policies pertaining to the housing supply; and
- restores current statutory language regarding the demographic analytic approach the OFM must use in determining the "range" used in expressing its population projections.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill needs to be passed in order to address key planning issues. It is intended to address the shortage of affordable housing in this state by improving the process for long-term planning. In order to accurately plan for future housing needs, local governments need comprehensive and accurate statistical data. This bill directs the OFM to provide the data necessary for intelligent decision making regarding housing needs. Among other things, the bill requires the OFM to use projected job growth as a key factor in determining both housing needs and population increases. The compilation of the data required under the bill would enable more intelligent planning regarding housing.

(Opposed) The bill is a bad idea because it makes the data gathering process much more complex and costly but yields little benefit. The current approach used by the OFM in compiling population data provides a sufficient basis for effective planning for housing needs. Furthermore, the bill does nothing to address the affordable housing issue and provides no needed statistical tools.

Persons Testifying: (In support) Representative Springer, prime sponsor.

(Opposed) Paul Roberts, Everett City Council; Richard Cole, Redmond City Council; and Stephanie Horton.

Persons Signed In To Testify But Not Testifying: (In support) Phil Harlan, Mike Luis, Terri Jeffreys, and Sam Pace, Realtors.

(Opposed) Wolfgang Opiiz, Office of Financial Management; Kaleen Cottingham, Futurewise; Dave Williams, Association of Washington Cities; and Stephanie Warden, King County Planning Director.