

City of Bellingham
CITY COUNCIL AGENDA BILL

SUBJECT	FOR AGENDA OF	COUNCIL ASSIGNMENT	BILL NUMBER
Consideration of new 20-year populaton and employment growth forecasts to be used in the 2009 urban growth area boundary update process and the 2011 comprehensive plan update process.	03-23-09	PUBLIC HEARING	018354
	TIME REQUIRED	DEPART. CONTACT	RECEIVED IN COUNCIL OFFICE
	45 minutes	Greg Aucutt	
ATTACHMENTS - Draft Council Resolution - Staff Memo including Planning Commission Findings of Fact, Conclusions and Recommendations	CLEARANCES		INITIAL
	Tim Stewart, PCD Director		TMS
	Greg Aucutt, Senior Planner		GA
			DATE
			3-16-09
			3-16-09
CATEGORY			
<input checked="" type="checkbox"/> Public Hearing <input type="checkbox"/> Other <input type="checkbox"/> Evening Presentation <input type="checkbox"/> Special Meeting <input type="checkbox"/> Committee Briefing Ordinance: <input type="checkbox"/> Mayor's Report <input type="checkbox"/> Briefing/Discussion <input type="checkbox"/> Consent Agenda <input type="checkbox"/> Introduction or Expedited		Legal	3/16/09
		Mayor or CAO	3/17/09
SUMMARY STATEMENT:			
<p>In 2008, all jurisdictions in Whatcom County agreed to begin working together to develop new 20-year population and employment growth forecasts. These forecasts will be used by the County to review and update urban growth area (UGA) boundaries and by the City in the next required update of our comprehensive plan in 2011.</p> <p>The Council will review a range of county-wide and Bellingham-area population and employment growth forecasts and develop recommendations to be forwarded to Whatcom County. Under State law, the County is responsible for adopting population growth forecasts to be used in UGA boundary updates and in the preparation of comprehensive plans.</p> <p>Previous Council Action: Resolutions 2008-03 and 2008-17 regarding changes to Bellingham's UGA boundary.</p>			
FISCAL IMPACT:			
Total Fiscal Impact: N/A			
Source of Funds:			
RECOMMENDED ACTION:			
<input type="checkbox"/> Information only; no action required <input checked="" type="checkbox"/> Move to adopt ordinance or resolution <input type="checkbox"/> Other		<input type="checkbox"/> Provide direction to staff <input type="checkbox"/> Move to approve appointment <input type="checkbox"/> Award Bid to lowest bidder	
COMMITTEE RECOMMENDATION / ACTION:			
COUNCIL ACTION:			

RESOLUTION NO. _____

A RESOLUTION REGARDING ADOPTION OF NEW POPULATION AND EMPLOYMENT GROWTH FORECASTS TO BE USED FOR WHATCOM COUNTY'S URBAN GROWTH AREA REVIEW PROCESS AND IN BELLINGHAM'S 2011 COMPREHENSIVE PLAN UPDATE.

WHEREAS, the State Growth Management Act requires Whatcom County to review and update all urban area (UGA) boundaries every 10 years; and

WHEREAS, the Growth Management Act requires Whatcom County and all the cities in the county to update their respective comprehensive plans by December 2011; and

WHEREAS, new 20-year population and employment growth forecasts are needed to complete both of these activities; and

WHEREAS, the GMA authorized the counties to adopt population growth forecasts in consultation with cities; and

WHEREAS, Bellingham, the other cities and the County have worked together to develop new 20-year county-wide growth forecasts and allocations to the cities that are being reviewed by all the jurisdictions; and

WHEREAS, a "Growth Management Coordinating Council" consisting of elected representatives from all the jurisdictions was formed to help with this process; and

WHEREAS, the Bellingham Planning Commission held a public hearing on February 12, 2009 and a worksession on February 26, 2009 to review the proposed growth forecasts and to receive public comment; and

WHEREAS, the Planning Commission on February 26th adopted recommendations as contained in the Commission's Findings of Fact, Conclusions and Recommendations; and

WHEREAS, the Bellingham City Council held a public hearing on March 23, 2009 to review and take public comment on the proposed growth forecasts; and

WHEREAS, the City Council concurs with the findings, conclusions and recommendations of the Planning Commission.

NOW THEREFORE, BE IT RESOLVED BY THE BELLINGHAM CITY COUNCIL:

1. The Bellingham City Council concurs with the recommendation of the Growth Management Coordinating Council and the Bellingham Planning Commission to use 251,500 as the county-wide growth forecast for the planning period 2011-2031.
2. The City Council agrees with the Bellingham Planning Commission that the appropriate population growth allocation for Bellingham to plan for is the "Historical Share" scenario - 44.5% of total county growth, not to exceed a total population of 116,200 in 2031.
3. The Council supports use of either the "Historical Share" or "Regional/Local" method to allocate employment growth forecasts to the city.
4. The Council recommends that Whatcom County take steps to reduce the development potential in the rural and agricultural areas of the county, thereby slowing the rate of growth that has been occurring in these areas.

PASSED by the Council this _____ day of _____, 2009.

Council President

APPROVED by me this _____ day of _____, 2009.

Mayor

ATTEST: _____
Finance Director

APPROVED AS TO FORM:

Office of the City Attorney




PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

210 Lottie Street, Bellingham, WA 98225
Telephone: (360) 778-8300 Fax: (360) 778-8302

MEMORANDUM

Date: March 12, 2009

To: City Council

From: Greg Aucutt, Senior Planner 

RE: **March 23rd Public Hearing on New Population and Employment Growth Forecasts**

Background

Bellingham, Whatcom County and the other cities are currently working on a review and update of all urban growth area boundaries and preparations for our next round of comprehensive plan updates. In order to complete both of these tasks, new 20-year population and employment growth forecasts are needed. While the County is responsible for adopting the forecasts, each of the cities have been asked to provide recommendations. Consultants working for the County have prepared new growth forecasts that are included in the attached memos:

- *"Phase 1 Allocations of 2031 Growth to Planning Areas"*, Jan. 13, 2009
- *"Assessment of Existing Countywide Population and Employment Growth Forecasts"*, February 9, 2009

Upcoming Review & Approval Process

The Planning Commission held a public hearing on February 12 and a worksession on February 26 to review a range of new 20-year county-wide and Bellingham population and employment growth forecasts. At the conclusion of the second meeting, the Commission adopted recommendations to the City Council. The Council will also hold a public hearing prior to adopting final recommendations that will be considered by the Whatcom County Planning Commission and County Council. At the conclusion of their hearing process, the County Council will adopt a new county-wide growth forecast and allocations to all the jurisdictions. Final adoption by the County is scheduled to occur in June. The County will use the adopted growth forecasts to update UGA boundaries for all the jurisdictions by the end of June. The County, Bellingham (and the other cities) will also use the adopted forecasts to update our comprehensive plans. The updates must be completed and adopted by December 1, 2011.

Questions for Discussion

The following questions and answers were developed by staff to help understand the context and purpose of the of the population growth forecasts, including background and other information intended to help the City Council develop recommendations. This document was given to the Council in March during one of staff's periodic updates on this process. It has been updated to include the recommendations of the Planning Commission.

Question 1: Why do cities and counties need to forecast future population and employment growth and how are the forecasts used?

Response: Cities and counties in Washington have been required to plan for future growth since the Growth Management Act (GMA) was adopted in 1990. The GMA requires the county and all the cities to have comprehensive plans that contain long range (at least 20-year) population growth forecasts. We are also required to show that there is enough developable land in the city and UGA to accommodate the forecasted growth, and that there is a plan to provide the public facilities and services that will be needed. So population growth forecasts are critical to determining:

- how much developable land and how many housing units will be required to accommodate the residential growth;
- how much developable commercial and industrial land will be needed to accommodate the employment growth;
- what new public facilities (roads, parks, schools, etc.) will be required to serve the forecasted growth;
- what additional public services (police, fire, etc.) will be needed to serve the anticipated growth;
- where in the county and in the city the growth should occur and in what form; and
- how much additional tax and other revenues can the City expect to receive from the growth.

Question 2: Didn't we adopt population growth forecasts a short time ago?

Response: Yes we did review population growth forecasts created for the City and County in 2002 by Econorthwest. These forecasts were adopted by the County in 2004 and were used by the City and County to update our respective comprehensive plans. The city comprehensive plan was adopted in 2006 and it covers the 2002-2022 planning period. At that time the adopted forecast predicted Bellingham and the urban growth area would grow by 1,580 people per year. Thus the Bellingham urban area was forecasted to grow to about 113,000 people in 2022.

(For comparison purposes, note that the City + UGA population was 81,450 in 2002 and 88,838 five years later in 2007. This represents growth of about 1,480 people per year, slightly less than forecasted.)

Question 3: *So why are we reviewing new population growth forecasts now?*

Response: The County and all the cities are updating the population and employment growth forecasts at this point in time for two reasons:

1. Under state law (the GMA), the County was required to review and update all the UGAs in 2007. This work was not completed, and as a result the County is under an order from the Western Washington Growth Management Hearings Board to complete the required review by the end of June 2009. As part of the UGA update process, the County is required to make sure that each city has enough land and development capacity within their city and UGA to accommodate 20 years of population and employment growth. New 20-year forecasts are needed in order for the County to complete the required evaluation of the city UGA boundaries and land supply. The County has hired a consultant to assist with the update process (see attached memos from Berk and Associates). A staff technical advisory group (the "TAG") made up of Planning Directors and senior staff from all the jurisdictions is working with the County and the consultants to develop and review the forecasts. A group of elected officials from each of the jurisdictions (the Growth Management Coordinating Council or GMCC) has also been formed to help with these activities.

2. In addition to the UGA update requirement, the GMA requires the cities and Whatcom County to update our respective comprehensive plans every seven years. Our next update deadline is December 2011 and it must cover the 2011-2031 timeframe. The update process must include new 20-year population growth forecasts for the county as a whole, and each of the cities and UGAs. The population and employment growth forecasts are key to completing this work. Getting agreement on the growth forecasts now gives us a good amount of time to complete the comprehensive plan update project by the 2011 deadline.

Question 4: *What is the City's role in the process to adopt new population growth forecasts?*

Response: The GMA places the responsibility for adopting county-wide and city population growth forecasts with the County, in consultation with the cities. The population growth forecast adoption process we are working under includes two phases:

- Phase 1 Allocations. The consultants have provided county-wide and jurisdiction-specific 20-year population and employment growth forecasts. The forecasts are

based on historic trends and on the policy choices made in the County's 2006 comprehensive plan. (See Attachment 1, Jan. 13 memo from Berk and Associates.)

- Phase 2, Review. The cities are to review the phase 1 forecasts and provide a recommendation to the County. The Planning Commission, City Council and the public have the opportunity to suggest adjustments to the phase 1 forecasts based on factors such as available land supply, or on policy choices such as where and how we want growth to occur as stated in our comprehensive plan. We need to complete this review and forward our recommendations to the County by March 25.

Question 5: *What are the legal requirements with respect to adoption of population growth forecasts?*

Response: The GMA and hearings board cases have made it clear that population growth forecasts used in the preparation of comprehensive plans must be within the range provided by the State Office of Financial Management. The OFM 2031 forecast range for Whatcom County is approximately 220,000 to 330,000 with a "baseline" forecast of 264,400. (OFM lists the baseline forecast as the "most likely to occur" scenario). OFM does not provide population growth forecasts for individual cities. It is up to the County, working with the cities, to allocate the county-wide growth forecast to the individual jurisdictions.

Question 6: *What have the consultants proposed for a county-wide population growth forecast for 2031?*

Response: The consultants reviewed the 2022 population growth forecasts that were adopted with the last round of comprehensive plan updates, along with historic and recent growth trends. Based on this review and discussions with the staff TAG, the consultants proposed a county-wide growth forecast of 256,950 for 2031. The TAG agreed that this number represented the most like to occur scenario. (See Attachment 2, Feb. 9 memo from Berk that includes an analysis of the 2002-2022 population growth forecasts. The analysis shows that the previous forecasts have held up very well. As a result, the TAG was comfortable recommending extending the growth rate represented in these forecasts to 2031. The TAG felt that this forecast was an appropriate place to start the discussions amongst the jurisdictions as it represents the "most likely to occur scenario" absent any policy decisions that seek to limit growth.)

The GMCC reviewed the OFM and consultant/TAG recommended forecasts in November and decided to recommend using a slightly lower number than recommended by the TAG - 251,490. This is about 5,500 less than the TAG-recommended forecast. It is also below OFM's 2031 baseline growth scenario of 264,400, but well within their overall range. The consultants used this forecast to develop the population growth allocations to the cities. (See Attachment 3, tables showing the 2031 growth allocations to all jurisdictions.)

Whatcom County's 2008 population is 191,000 according to OFM. Using the GMCC-recommended forecast means the County would plan for total 20-year population growth of 60,490 (3,025 persons per year). For comparison purposes, the last planning period (2002-2022) used a total population growth forecast of 61,447 (3,072 ppy). Since 2000, the County has grown by about 24,200 people (3,025 ppy.) The various county-wide forecasts currently being discussed are summarized in Table 1.

Table 1 – 2031 County-wide Population Growth Forecasts

	2031 County-wide Population Growth Forecast
OFM Low Forecast	220,000
SEPA No Action Alternative (current comp. plans)	234,917
GMCC Recommendation	251,490
Consultant/Staff TAG Recommendation	256,950
EIS Alts. X and Y Forecast	258,450
OFM Baseline Forecast	264,400
OFM High Growth Forecast	330,000

Question 7: *What have the consultants proposed for a county-wide employment growth forecast for 2031?*

Response:

The consultants suggest using a total county-wide 2031 employment estimate of 123,230 jobs. Note that total county-wide employment in 2008 is estimated to be 84,850 jobs, so the forecasted increase is about 33,900 jobs. The County's EIS is evaluating a range of employment growth forecasts from 26,000 to 37,000 new jobs.

Question 7: *What are the proposed population growth forecasts for Bellingham?*

Response: The phase 1 allocations from the consultants include two separate 2031 population growth forecasts for the cities (including their UGAs).

1. The first forecast (called the "Historical Share Scenario" in the memo), is based on the percentage of total county-wide growth that has occurred in Bellingham since 1990 (44.5%). Under this scenario, total Bellingham area population would be 116,200 in 2031. Total growth to accommodate under this scenario would be about 26,920. This is 3,149 more residents than the 113,055 accommodated in the City's current comprehensive plan. Average annual growth would be about 1,350 people per year (ppy) in this scenario.
2. The second forecast ("Current Comp Plan Scenario"), is based on Bellingham's anticipated share of total county growth that was adopted in 2006 in the City and County comprehensive plans (51.4%). The share of total county growth assigned to Bellingham (and the other cities) was higher in the comprehensive plan than the historical share would have dictated. This was done intentionally,

in an attempt to reduce the amount of growth that was occurring in the rural and resource areas of the county. Total Bellingham 2031 population under this scenario = 120,385. Total growth to accommodate = 31,100 (7,330 more residents than accommodated in the current plan). Average annual growth in this scenario would be about 1,550 people per year.

Three other population growth scenarios were discussed by the Planning Commission:

1. The "City Comp Plan" scenario is based on the City's current comprehensive plan forecast for year 2022. Using this scenario results in total 2031 population remaining at 113,000. Total growth is 23,770 and average growth is 1,185 ppy.
2. The "2009 County Land Capacity Analysis" (LCA) scenario is based on the recent County study of the capacity of the vacant and partially developed land in the city and UGA. Using the results of this study shows that Bellingham has the capacity to accommodate total population of 121,500. Total growth under this scenario is 31,330 (8,470 more residents than accommodated in current plan). Average annual growth is 1,570 ppy.
3. The "EIS Alternative X" scenario is based on one of the alternatives in the County's environmental impact statement that is currently being developed. This scenario has a larger share (54.5%) of total county-wide growth going to Bellingham. 2031 population under this scenario would be 126,000. Total growth is 34,700 (about 13,000 more residents than accommodated in the current plan). Average annual growth is 1,735 ppy.

The various population growth scenarios are summarized in the following table:

Table 2: Bellingham 2031 Population Growth Forecasts

	2008 Population	"2006 City Comp Plan" Scenario	"Historical Share" Scenario	"County Comp Plan Share" Scenario	"2009 County LCA" Scenario	"EIS Alt. X" Scenario
City + UGA	89,284	113,055	116,200	120,385	121,520	126,000
Total 20- year Growth ¹		23,770	26,920	31,101	31,330	34,678
Average Annual Growth ²		1,185	1,350	1,550	1,570	1,735
% of Total County Growth ³		39.3%	44.5%	51.4%	51.8%	54.5%
% of total County 2031 Population ³	191,000	45%	46.2%	47.9%	48.3%	50.1%

Notes:

¹ For comparison purposes, note total population growth forecast used in the City's 2002-2022 comp plan is 31,600.

² The City and UGA has grown by about 1,560 people per year growth since 1990 and by 1,420 ppy since 2000.

³ Percentages of total county growth assume 2031 county-wide forecast recommended by GMCC - total 2031 population = 251,500 and total 20-year growth = 60,500.

Question 8: *How much additional population growth would Bellingham have to plan to accommodate under the various scenarios?*

Response: Our current plan accommodates a total city and UGA population of 113,055. The other scenarios listed above would require Bellingham to plan to accommodate additional population over and above the 113,055:

- Additional population to accommodate in the Historical Share scenario = 3,145.
- Additional population to accommodate in the County Comp Plan Share scenario = 7,330.
- Additional population to accommodate in the County LCA scenario = 8,465.
- Additional population to accommodate in the EIS Alternative X scenario = 12,945.

Question 9: *What are the proposed employment growth forecasts for Bellingham?*

Response: With respect to employment growth, the consultants also provided two methods for allocating the 33,900 new jobs forecasted to occur in the county by 2031. These methods, called a “Historical Share Approach” and a “Regional/Local Approach” are explained in detail beginning on page 9 in the Berk memo (Attachment 1). Use of these approaches results in a range of Bellingham-area employment growth forecasts from 21,188 to 21,714 in 2031. Other forecasts being discussed range from 18,829 to 25,851 new jobs (see Attachment 4, “2031 Allocated Employment Under Various Growth Scenarios” table). The various employment growth forecasts being discussed are summarized in the Table 3.

Table 3: Bellingham 2031 Employment Growth Forecasts

	2008 Employment	New Jobs under SEPA “No Action” Alternative	New Jobs under “Historical Share” Alternative	New Jobs under “Regional/Local” Alternative	New Jobs under “EIS Alt. X”	New Jobs under “EIS Alt. Y”
City + UGA	51,153	18,829	21,713	21,188	25,851	21,260
Average Annual Job Growth		940	1,085	1,060	1,300	1,063
% of total County-wide Job Growth		72.2%	64%	62.5%	69.5%	57.2%
% of total County-wide Employment	76%	75%	72%	71.5%	73.7%	69.3%

Source: Whatcom County Planning Department
 Note: Total 2008 County-wide employment = 67,300.

Question 10: *How does the expected demand for new jobs match up with the current city and UGA supply of developable land employment?*

Response: The County’s 2009 land capacity analysis (LCA) shows that the current supply of vacant and re-developable employment lands in Bellingham and the UGA can accommodate about 19,500 new jobs. As a result, it appears that our land base is not

sufficient to accommodate the forecasted growth under any of the scenarios other than the SEPA no action alternative. The County's LCA estimates that we have a shortage of approximately 100 to 500 developable acres, depending on the growth forecast used.

Question 11: What factors should the City Council consider in reviewing the forecasts and making recommendations?

Response: In crafting recommendations, the City Council should consider a number of factors, including but not necessarily limited to:

Factor #1: What does our current comprehensive plan say about accommodating growth - how much and where?

How much - Bellingham's 2006 comprehensive plan covers the period to 2022 and contains the work necessary to accommodate a total population of 113,055 and total employment of about 67,000 jobs.

Where - Goal and policy language establishing the community's preference for accommodating growth through "infill" rather than outward expansion of the city can be found as far back as the 1992 "Visions for Bellingham" community goal-setting process. The results became the basis for the 1995 Bellingham Comprehensive Plan.

The current version of the comprehensive plan contains even more infill goals and policies and further defined where (and how) new development should occur. This plan established two significant refinements to the infill objectives – that growth in existing neighborhoods should be consistent with existing character, and that a series of existing and new urban centers (or "villages") would accommodate a significant percentage of future growth. Since the plan was adopted, an urban village master plan has been adopted for the Old Town area, and master planning processes are underway for the central waterfront, Samish Way and in the Fountain District.

The plan also anticipates significant growth in the city's urban growth areas. Annexation of these areas is required for this to growth to occur. The City has approved annexations totaling nearly 700 acres in the last year. We are also processing another series of petitions seeking annexation of several hundred more acres of UGA land.

Factor #2: How much population and employment growth can be accommodated on the remaining vacant and partially developed land in the city and UGA?

Response: The last City-produced study of our existing vacant land supply was completed in 2005. This study was used by the City as the basis for our current comprehensive plan and by the County in reviewing UGA boundaries in 2007. The results of the analysis as adopted by the City and later by the County showed that the vacant and underutilized land in the city and the UGAs (with the 280 acres to Bellingham's UGA in 2008) could potentially accommodate the population growth expected to occur to 2022 (total population 113,055).

The County has very recently completed a county-wide land capacity analysis using methodology very similar to that used by the City in 2005. The results show that the city and UGA can accommodate an additional 31,330 residents, for a total population of 121,520 in 2031.

In terms of employment growth, the County's 2009 land capacity analysis indicates that the city and UGA can accommodate an additional 19,850 jobs, for a total employment of about 71,000 in 2031.

Factor #3: Have we been successful in meeting our stated goal of reducing growth in the rural and agricultural-zoned areas of the county?

Response: In the last round of comprehensive plan updates, all the cities agreed to plan for a larger share of total county growth than they had historically received. (For example, Bellingham agreed to plan to accommodate over 51% of the countywide growth that was forecasted to occur in the planning period to 2022, even though our historical share of county-wide growth was 40 to 45%. The other cities did the same.) This was done because we all agreed that it was important to try to reduce the amount of growth occurring in the rural and agricultural areas of the county. In fact, the County's comprehensive plan contains a goal to reduce rural growth to about 6.3% of future growth.

Unfortunately, as recent statistics show, this strategy has not been very successful. Over the past 8 years, 26% of the total county-wide population growth has occurred in the rural areas of the county. Furthermore, the County indicated that there are already over 18,000 vacant building parcels remaining in the rural and agricultural zoned areas, with the potential for over 8,000 more under current zoning. As a result, the policy question remains - are we as a community willing to accept more growth in Bellingham than might otherwise occur in an effort to reduce rural area growth? Is this still the case even though both the City and County indicated in 2008 that they do not wish to see Bellingham's UGA expand? If so, what actions will the City and County need to take to accomplish this objective?

Question 12: *What are the City Council's options with respect to a recommendation to the County Council?*

Response: At the conclusion of the public hearing, the Council should develop recommendations for both the 2031 county-wide population growth forecast and the population and employment allocations to Bellingham. Obviously, whatever county-wide growth number is eventually adopted, it will have implications for Bellingham. The Council has a number of options with regard to a recommendation on the countywide population growth forecast:

- Option 1 – Recommend using the OFM Low Scenario forecast, 220,000.
- Option 2 – Recommend using the EIS No Action Alt., 235,000.
- Option 3 – Recommend using the GMCC recommended forecast, 251,490.
- Option 4 – Recommend using the consultant/staff TAG forecast, 256,950.
- Option 5 – Recommend using the EIS Alt. X and Y forecast, 258,450.
- Option 6 – Recommend using the OFM Baseline forecast, 264,400
- Option 7 – Recommend using the OFM High Scenario forecast, 330,000.
- Option 8 – Recommend using a different forecast from those listed above

Question 13: What did the Planning Commission recommend?

Response: The Commission recommends using Option 3, the GMCC recommended forecast. (See the Commission's Findings of Fact document for details.)

With regard to a recommendation for the Bellingham-area forecast, the Council has a similar range of options:

- Option 1 – Recommend using the forecast based on the “Historical Share” Scenario. Total 2031 population to plan for = 116,204.
- Option 2 – Recommend using the forecast based on the “Current Comp Plan Share” scenario. Total 2031 population to plan for = 120,385.
- Option 3 – Recommend a forecast that can be accommodated given our current vacant land supply – using either the City's analysis done in 2005 (total population = 113,055) or the County's 2009 analysis (total population = 121,520).
- Option 4 – Recommend the EIS alternative that has the highest percentage of future county-wide growth going to Bellingham. Total population to plan for = 126,000.
- Option 5 – recommend another forecast not listed above.

Question 14: What did the Planning Commission Recommend?

Response: The Planning Commission recommended Option 1, the “Historical Share” scenario. (See the Commission's Findings of Fact document for details.)

Question 15: What employment growth forecast did the Planning Commission Recommend?

Response: The Commission expressed no preference, noting that both the Historical Share allocation and the Regional/Local allocation contain very similar employment

growth forecasts for Bellingham. The Commission also expressed support for a jobs/housing balance approach in the other jurisdictions and a preference for family wage jobs in Bellingham.

The Planning Commission also included language in their recommendations encouraging the County to take immediate steps to reduce the development potential in the rural and agricultural areas of the county.

Question 15: What happens next?

Response: Once completed, the Council's final recommendations will be sent to the County in the form of a resolution.

The County Planning Commission will hold public hearings in May, considering the input from all the jurisdictions that choose to provide recommendations. The County Council is expected to adopt the final population and employment growth forecasts in June.

Attachments:

- Attachment 1 – Berk memo "*Phase 1 Allocations of 2031 Growth to Planning Areas*", January 13, 2009.
- Attachment 2 – Berk memo "*Assessment of Existing Whatcom County Countywide Population and Employment Growth Projections*", February 9, 2009.
- Attachment 3 – "*2031 Allocated Population Under Various Growth Scenarios*" tables.
- Attachment 4, "*2031 Allocated Employment Under Various Growth Scenarios*" table.
- Attachment 5 – Planning Commission Findings of Fact, Conclusions and Recommendations.

ATTACHMENT 1

Berk and Associates January 13, 2009 Memo:

“Phase 1 Allocations of 2031 Growth to Planning Areas”

MEMORANDUM**DATE: January 13, 2009****TO: Whatcom County Comprehensive Planning Team****FROM: Kapena Pflum and Brett Sheckler****RE: Preliminary Discussion Draft: Phase 1 Allocations of 2031 Growth to Planning Areas**

Whatcom County is in the midst of a multi-year process to review and update the Whatcom County Comprehensive Plan. As the County develops plans for accommodating future growth, the County commissioned Berk & Associates to perform a series of tasks. These tasks include:

- Provide County decision makers with data and analyses that will inform their identification of countywide forecasts of population and employment growth through 2031.
- Work with technical staff and decision makers to develop and implement methods for:
 - Allocating countywide forecasts to planning areas within the county;
 - Translating anticipated growth into demand for housing, commercial, industrial, retail, and institutional space, and ultimately, to demand for developable land;
 - Assessing the existing capacity within cities and urban growth areas to accommodate anticipated 20-year demand; and
 - Ongoing monitoring of how the County Comprehensive Plan compares with the reality of growth.

A November 25, 2008 memorandum entitled *DRAFT: ALLOCATING COUNTYWIDE FORECASTS – Proposed Methods* outlined a two-phased approach to allocating countywide forecasts to planning areas. Phase I is designed to be a mathematical allocation of population and employment growth based largely on historic trends. Phase II would use Phase I allocations as a starting point, but would open up the allocation process for discussion and negotiation among the affected jurisdictions (i.e. the County and the cities). In Phase II, constraints like land supply, policy choices, and other special circumstances will be taken into consideration, and presumably, the Phase I allocations will be adjusted, perhaps significantly.

Since final allocations of growth will be determined through the Phase II process, the goal for this memorandum is to provide reference points that will inform the Phase II process.

This memorandum summarizes the outcome of the Phase I allocation. Berk & Associates has followed the allocation methods that were proposed in the November 25 memo—methods which resulted in the following findings.

All Phase I allocations are designed to allocate a countywide forecast for growth that has been identified by policy makers at Whatcom County. Based on direction from the project team, Berk &

Associates has used a 2031 population estimate of 251,490, and an employment estimate of 123,230 jobs.¹

POPULATION ALLOCATIONS

The methods outlined in the November 25th memo called for a Phase I allocation of future population based on analysis of population growth shares observed in study areas between 1990, 2000, and 2008.² For example, if a Study Area accommodated 10% of countywide growth historically, it would be allocated 10% of the countywide growth out to 2031. By design, this is a simplistic methodology to allocate future population—a method designed to present a picture of the path Whatcom County is on—and the 2031 allocations shown later in **Exhibit 4** are not the final allocations in this process. As mentioned in the introduction of this memo, these Phase I allocations are a starting point for Phase II allocations, which will take into account available land supply, special circumstances, and policy choices.

As a point of reference in all the population exhibits, we provide the shares of long-term population growth adopted in the 2004 Whatcom County Comprehensive Plan. The Plan numbers represent the policy-based allocation of population adopted in the previous comprehensive planning process. Even though the Comprehensive Plan allocation is for a different planning period (2002-2022), it is still a useful reference to compare with actual growth trends observed in recent years in the study areas.

¹ The forecast of 251,490 is within the range of OFM population estimates. If one extrapolates the OFM medium forecast for 2030 to 2031, OFM's medium forecasted population would be 264,400.

² Note that the goal of the trend analysis is not to identify overall levels of expected growth. Rather, the trend analyses are simply used to identify patterns of growth—to identify relative shares that each area might get given the assumed overall population in the County in 2031 and the area's share of growth in the past.

Exhibit 1 shows historical population estimates for each UGA/Study Area in 1990, 2000, and 2008, as well as Comprehensive Plan allocations of growth from 2000 to 2022. The Study Areas are the same as those used in the 2002 ECONorthwest *Whatcom County Population and Economic Forecasts* study and 2004 County Comprehensive Plan. Aside from the Unincorporated Rural category, all Study Areas represent UGA boundaries that include both incorporated cities and the unincorporated portion of UGAs. The 1990, 2000, and 2022 estimates are drawn from the County Comprehensive Plan³ with slight adjustments to account for shifts in Study Area boundaries since adoption of the 2004 Plan. The 2008 estimate was developed using OFM estimates for incorporated cities and countywide building permit data between 2000 and 2008 for unincorporated areas, as described in the Berk & Associates November 25, 2008 proposed methodology memorandum. The Berk methodology was modified slightly to incorporate recent population estimates for the Bellingham UGA and the Columbia Valley UGA.⁴

Exhibit 1 Population Estimates by Study Area, 1990, 2000, 2008, and 2022

Study Area	Population Estimates				Population Growth			
	Actual 1990	Actual 2000	Estimate 2008	Policy-based Comp Plan 2022	Actual 1990-2000	Estimate 2000-2008	Estimate 1990-2008	Policy-based Comp Plan 2000-2022
Bellingham	61,149	77,939	89,284	113,055	16,790	11,345	28,135	35,015
Birch Bay	2,254	4,503	5,292	9,619	2,249	789	3,038	5,116
Blaine	3,428	4,669	5,755	7,942	1,241	1,086	2,327	3,163
Columbia Valley	471	2,490	3,924	5,000	2,019	1,434	3,453	2,510
Everson	1,761	2,256	2,382	3,912	495	126	621	1,656
Ferndale	6,986	9,934	12,020	17,322	2,948	2,086	5,034	7,388
Lynden	6,442	9,593	11,613	16,900	3,151	2,020	5,171	7,296
Nooksack	616	895	1,137	1,881	279	242	521	986
Sumas	792	995	1,279	1,869	203	284	487	674
Unincorporated Rural	43,881	53,540	58,315	57,617	9,659	4,775	14,434	4,299
LAMIRD Areas	0	0	0	0	0	0	0	0
Other Unincorporated Rural	43,881	53,540	58,315	57,617	9,659	4,775	14,434	4,299
Total Whatcom County	127,780	166,814	191,000	234,917	39,034	24,186	63,220	68,103

Source: Berk & Associates and Whatcom County Comprehensive Plan, 2008; ECONorthwest *Whatcom County Population and Economic Forecasts*, 2002

Notes:

- 1990, 2000, and 2008 estimates are as of April 1 in each year.
- The LAMIRD Areas row is a placeholder for the Phase II allocation process, which may involve splitting rural population allocations between LAMIRDs and the rest of rural Whatcom County.
- Numbers in the "Policy-based" columns are drawn directly from the 2004 County Comprehensive Plan – subtractions between the 2022 and 2000 totals may not match those in the Comprehensive Plan due to small Study Area boundary adjustments.

³ The Columbia Valley and Birch Bay 1990 and 2000 estimates were drawn from the 2002 ECONorthwest *Whatcom County Population and Economic Forecasts* report because they were not included in the Comprehensive Plan.

⁴ The City of Bellingham provided a recent estimate of 2007 population in the unincorporated portion of its UGA. A 2006 estimate of population in the Columbia Valley UGA is included in the Draft Foothills Subarea Plan. Both of these estimates were used as inputs and were adjusted using recent building permit data to arrive at a 2008 population estimate.

Exhibit 2 shows the share of countywide population growth that was accommodated by each Study Area during each time period. The largest concentrations of growth within the County are in Bellingham and Rural Whatcom County. In terms of percentage share, Bellingham has seen its share of growth increase from 43.0% in the 1990s to 46.9% between 2000 and 2008. Rural Whatcom has seen the opposite trend, with its share of growth dropping from 24.7% to 19.7%. Other notable shifts in growth share include Birch Bay and Everson, which saw decreasing shares of growth, and Blaine and Ferndale, which saw increasing shares of growth.

In comparison to the final allocations used in the current County Comprehensive Plan, recent growth diverges primarily in the Bellingham and Rural Whatcom Study Areas. The Comprehensive Plan allocates a higher percentage of growth to Bellingham (51.4%) and much lower share to Rural Whatcom (6.3%). In general, the Comprehensive Plan allocates a higher share of population growth to the urban study areas instead of Rural Whatcom. These points of reference will be useful to consider when entering the Phase II allocation adjustment process.

Exhibit 2
Shares of Countywide Growth by Study Area

Study Area	Share of Population Growth			Policy-based Comp Plan 2000-2022
	Actual 1990-2000	Estimate 2000-2008	Estimate 1990-2008	
Bellingham	43.0%	46.9%	44.5%	51.4%
Birch Bay	5.8%	3.3%	4.8%	7.5%
Blaine	3.2%	4.5%	3.7%	4.6%
Columbia Valley	5.2%	5.9%	5.5%	3.7%
Everson	1.3%	0.5%	1.0%	2.4%
Ferndale	7.6%	8.6%	8.0%	10.8%
Lynden	8.1%	8.4%	8.2%	10.7%
Nooksack	0.7%	1.0%	0.8%	1.4%
Sumas	0.5%	1.2%	0.8%	1.0%
Unincorporated Rural	24.7%	19.7%	22.8%	6.3%
<i>LAMIRD Areas</i>	0.0%	0.0%	0.0%	0.0%
<i>Other Unincorporated Rural</i>	24.7%	19.7%	22.8%	6.3%
Total Whatcom County	100.0%	100.0%	100.0%	100.0%

Source: Berk & Associates and Whatcom County Comprehensive Plan, 2008; ECONorthwest *Whatcom County Population and Economic Forecasts, 2002*

Exhibit 3 shows the annual average population growth rate within each time period. With the exception of Sumas, the population in Whatcom County grew at a slower pace in all Study Areas over the past eight years than it did between 1990 and 2000.

Exhibit 3
Annual Average Population Growth Rates by Study Area

Study Area	Annual Average Population Growth Rate			
	<i>Actual</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Policy-based</i>
	1990-2000	2000-2008	1990-2008	Comp Plan 2000-2022
Bellingham	2.5%	1.7%	2.1%	1.7%
Birch Bay	7.2%	2.0%	4.9%	3.5%
Blaine	3.1%	2.6%	2.9%	2.4%
Columbia Valley	18.1%	5.9%	12.5%	3.2%
Everson	2.5%	0.7%	1.7%	2.5%
Ferndale	3.6%	2.4%	3.1%	2.6%
Lynden	4.1%	2.4%	3.3%	2.6%
Nooksack	3.8%	3.0%	3.5%	3.4%
Sumas	2.3%	3.2%	2.7%	2.4%
Unincorporated Rural	2.0%	1.1%	1.6%	0.3%
<i>LAMIRD Areas</i>				
<i>Other Unincorporated Rural</i>	2.0%	1.1%	1.6%	0.3%
Total Whatcom County	2.7%	1.7%	2.3%	1.6%

Source: Berk & Associates and Whatcom County Comprehensive Plan, 2008; ECONorthwest *Whatcom County Population and Economic Forecasts*, 2002

Exhibit 4 shows the Phase I 2031 population estimates for each Study Area based on two different allocation scenarios: (1) the 1990-2008 share of growth (labeled *Historical Share Scenario*); and (2) the 2000-2022 share of growth projected in the 2004 County Comprehensive Plan (labeled *Current Comp Plan Scenario*). The 2031 allocations of population growth correspond to the percentage shares shown earlier in **Exhibit 2**.

Exhibit 4
2031 Population Allocation by Study Area, Under Different Growth Scenarios

Study Area	2008 Population	2031 Population		2008-2031 Pop. Growth	
		Historical Share Scenario	Current Comp Plan Scenario	Historical Share Scenario	Current Comp Plan Scenario
Bellingham	89,284	116,204	120,385	26,920	31,101
Birch Bay	5,292	8,199	9,836	2,907	4,545
Blaine	5,755	7,981	8,564	2,226	2,809
Columbia Valley	3,924	7,228	6,154	3,304	2,229
Everson	2,382	2,977	3,853	594	1,471
Ferndale	12,020	16,836	18,582	4,816	6,562
Lynden	11,613	16,560	18,093	4,948	6,480
Nooksack	1,137	1,635	2,012	498	876
Sumas	1,279	1,745	1,878	466	599
Unincorporated Rural	58,315	72,125	62,133	13,810	3,818
<i>LAMIRD Areas</i>	0	0	0	0	0
<i>Other Unincorp. Rural</i>	58,315	72,125	62,133	13,810	3,818
Total Whatcom County	191,000	251,490	251,490	60,490	60,490

Source: Berk & Associates, 2008

Exhibit 5 takes another look at the 2031 growth allocation scenarios from **Exhibit 4** and compares them to the 2022 growth allocation, as adopted in the 2004 County Comprehensive Plan. The goal of the exhibit is to identify the difference between the 2031 allocation scenarios and the 2022 population allocations already adopted in the Comprehensive Plan.

In cases where the difference between 2031 and 2022 allocations is positive, the Study Area is slated to accommodate additional population. In cases where the difference is negative, the Study Area is actually slated to accommodate less population by 2031 than already planned in 2022. In the Historical Share Scenario, the majority of values are negative because a large share of population is being allocated to Unincorporated Rural Whatcom, while the adopted policy-based 2022 rural allocation is much smaller. In fact, the 2022 rural allocation of 57,617 population has already been exceeded by 698 persons as of 2008 (estimated rural pop. 58,315).

Exhibit 5 **2031 Population Allocations Compared to 2022 Population Allocations**

Study Area	2022 Population Allocation (Current Comp Plan)	2031 Population		Difference 2031 Minus 2022	
		Historical Share Scenario	Current Comp Plan Scenario	Historical Share Scenario	Current Comp Plan Scenario
Bellingham	113,055	1,16,204	120,385	3,149	7,330
Birch Bay	9,619	8,199	9,836	-1,420	217
Blaine	7,942	7,981	8,564	39	622
Columbia Valley	5,000	7,228	6,154	2,228	1,154
Everson	3,912	2,977	3,853	-935	-59
Ferndale	17,322	16,836	18,582	-486	1,260
Lynden	16,900	16,560	18,093	-340	1,193
Nooksack	1,881	1,635	2,012	-246	131
Sumas	1,669	1,745	1,878	76	209
Unincorporated Rural	57,617	72,125	62,133	14,508	4,516
<i>LAMIRD Areas</i>	0	0	0	0	0
<i>Other Unincorp. Rural</i>	57,617	72,125	62,133	14,508	4,516
Total Whatcom County	234,917	251,490	251,490	16,573	16,573

Source: Berk & Associates, 2008

Exhibit 6
Annual Average Population Growth, 2008-2031, Under Different Growth Scenarios

Study Area	Annual Avg Population Growth Rate, 2008-2031	
	Historical Share Scenario	Current Comp Plan Scenario
Bellingham	1.2%	1.3%
Birch Bay	1.9%	2.7%
Blaine	1.4%	1.7%
Columbia Valley	2.7%	2.0%
Everson	1.0%	2.1%
Ferndale	1.5%	1.9%
Lynden	1.6%	1.9%
Nooksack	1.6%	2.5%
Sumas	1.4%	1.7%
Unincorporated Rural	0.9%	0.3%
<i>LAMIRD Areas</i>		
<i>Other Unincorporated Rural</i>	0.9%	0.3%
Total Whatcom County	1.2%	1.2%

Source: Berk & Associates, 2008

As a final point of reference, **Exhibit 6** shows the annual average growth rate between 2008 and 2031 projected under each allocation scenario. In general, almost all the growth rates projected in **Exhibit 6** are smaller than those experienced in recent years (shown earlier in **Exhibit 3**). This is due to the selected countywide population target of 251,490 reflecting a slower growth rate (1.2%) than experienced over the last eight years (1.7%) and in the 1990s (2.7%).

Employment Allocations

Allocations of employment growth by study area are based on the methodology outlined in the November 25, 2008 memorandum entitled *DRAFT: ALLOCATING COUNTYWIDE FORECASTS – Proposed Methods*.

The November 25 methods memo outlined an approach for employment allocations that sought to differentiate between regional and local employment. The memo proposed a method for using simple regression analysis to distinguish between regional employment (employment associated with commercial users who seek centralized locations to serve broader markets) and local employment (employment associated with commercial users whose location decisions are based on the distribution of population). This latter category might include local-serving commercial uses, retailers, industrial users, or small business owners who seek to locate their business close to where they live.

To augment the regional/local employment allocation, and to provide a point of comparison for some of the more challenging allocations of employment the method produces (particularly allocations of significant job growth to relatively rural areas like Columbia Valley), Berk & Associates also developed a simple allocation based on existing distributions of jobs among Study Areas. In the following discussion we first present results following this latter, existing-distribution approach, followed by results from the regional/local method.

Context: Thinking About Phase I Allocations as a Starting Point for Phase II Discussions

Ultimately, as is the case with Phase I population growth allocations, neither of the scenarios summarized below are likely to reflect the final numbers that will be determined during Phase II of the allocation process. Rather, these scenarios are intended to serve as context, to inform the Phase II work.

The best way to project commercial development in an area is to follow a three-step process:

1. Distinguish the principal categories of commercial activity (e.g. retail, office, industrial, and lodging);
2. Assess the long-term characteristics of *demand* for built space for each component; and
3. Assess the *supply* of potential sites that would be available to accommodate that demand, with an eye for the competitive position of sites in the planning area.

Uncertainty is inevitable, but a city that has undertaken a robust version of such analyses will have the best possible knowledge about the range of development scenarios that are possible. With this information in hand, it will be up to the city to assess its long-term goals and vision for the community, and ultimately, to form a plan.

Given the important role that commercial development plays in providing jobs, services and amenities, and a strong fiscal footing for the city in question, cities in most instances will formulate a plan that offers the city a chance to realize an optimistic development scenario. It is important to note, however, that many cities will not see their optimistic scenario come to fruition.

To see how this plays out, a simple example may be helpful:

Cities A, B, and C compete in a market that will support 1 million square feet of new retail space in the coming decade. Through their retail analyses, each city calculates that the most likely scenario is that they will capture one-third of that space (333,333 square feet), but under their optimistic scenarios they could capture half of the space (500,000 square feet).

Each city determines that it is in their best interest to capture the 500,000 square feet, so they ensure that plans are on the table to accommodate that amount of retail development.

In the above case, each city has made a decision that is in their best interest, and is perfectly rational, but the end result is that, as a whole, the cities are drawing up plans for more retail development than is likely to happen.

In light of the above discussion about how planning for commercial development often works, a handful of points emerge that are worth bearing in mind as stakeholders review the Phase I allocations summarized below:

- **More robust methods for projecting development are out there.** – Through a detailed analysis of supply and demand conditions, it is possible to develop robust projections of potential development scenarios. Such analyses are resource-intensive and would take much more time and budget than is available for a typical County comprehensive plan. However, if a city *has* invested the resources to develop such market analyses, one would expect that city to rely on those analyses as it approaches the discussions that will be part of Phase II of the allocation process.
- **Incentives exist for jurisdictions to make room for optimistic development scenarios.** – Given inherent uncertainty, and given the benefits that a city enjoys if an optimistic development scenario comes to pass, it is not surprising that cities will have an interest in drawing up plans that allow an optimistic development scenario to come to fruition. Since the countywide comprehensive planning process includes things like market factors, and since it requires that county's plan to accommodate 20 years of development on a 10-year cycle (never allowing the county to get within 10 years of running out of capacity), in effect, the planning process may be "building in" room to accommodate optimistic development scenarios. However, one should not be surprised if the sum of cities' optimistic development scenarios make room for more commercial development than the market is likely to see in any given period.
- **By its nature, a formulaic Phase I allocation seeks to allocate a given number of future jobs.** – Phase I allocations are designed to start with total forecasted employment growth. The goal is to allocate growth among UGAs in a way that ensures the sum of allocated growth. In effect, such allocations attempt to offer a perspective on a "most likely" growth scenario for each Study Area. It would not be surprising, therefore, if the Phase I allocations summarized below conflict with a given city's optimistic development scenarios.

Current Distribution of Jobs

As prescribed in the November 25 memo, at Berk & Associates request the Washington State Department of Employment Security (ESD) estimated 2008 employment levels for each of Whatcom County's Study Areas. In instances where ESD was forced to suppress data to address confidentiality issues, Berk & Associates relied on the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) datasets to estimate suppressed jobs. **Exhibit 7** summarizes employment figures by Study Area, by major employment category. Note that these data do not add up to ESD's current estimate of non-agriculture wage and salary employment for Whatcom County as a whole (as offered

publicly and as summarized in **Exhibit 8**).⁵ However, job counts presented in **Exhibit 7** provide information about the current distribution of jobs in Whatcom County, offering context for allocations of future growth. These data served as the bases for development of Phase I allocations.

Exhibit 7
Estimates of 2008 Non-Ag Wage & Salary Employment by Study Area-
Based on ESD and LEHD Datasets

	Commercial	Retail	Industrial	Total
Bellingham	27,968	13,376	9,809	51,153
Birch Bay	309	91	37	436
Blaine	1,743	287	941	2,971
Cherry Point	200	-	982	1,182
Columbia Valley*	42	23	25	90
Everson	262	121	255	638
Ferndale	1,875	959	2,700	5,534
Lynden	2,289	1,292	1,251	4,832
Nooksack	19	57	131	206
Sumas	27	5	223	254
Unincorporated Rural	5,255	935	3,940	10,130
<i>LAMIRD</i>	NA	NA	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA	NA	NA
Total	39,987	17,145	20,293	77,426

Source: Washington State Employment Security Department estimates of employment by Study Area (suppressed) and U.S. Census Bureau LEHD data.

* Estimates of employment for the Columbia Valley UGA are based on Berk & Associates' analysis of the U.S. Census LEHD datasets. Estimates of Columbia Valley employment generated by the Employment Security Department appeared to be somewhat low (44 jobs), a figure that is below the estimate of UGA employment generated in the 2007 Foothills Subarea Economic Analysis estimate of 2005 employment. The LEHD-based estimate of 90 jobs is more consistent with the 2007 analysis and is consistent with job levels that were forecasted in the 2007 analysis.

⁵ This discrepancy is likely due to jobs for which ESD was unable to assign a specific location when responding to Berk & Associates request.

Allocable Employment

Based on the approach outlined in the November 25th memo, based on a review of ECONorthwest's 2002 *Whatcom County Population and Economic Forecasts*, and based on Berk & Associate's interpolation of Washington State Employment Security Department (ESD) estimated 2007 and forecasted 2009 employment, Berk estimates non-agricultural wage and salary (Non-Ag W&S) job growth of 33,909 jobs from 2008 to 2031 (**Exhibit 8**).⁶

Exhibit 8 Allocable Employment by Category

	Commercial	Retail	Industrial	Total
Forecasted Jobs 2031 (Non-Ag W&S)	61,350	23,953	33,455	118,759
Estimated Jobs 2008 (Non-Ag W&S)	43,828	18,772	22,250	84,850
New Jobs Added by 2031	17,522	5,181	11,205	33,909

Source: ECONorthwest 2002 medium forecasts of Whatcom County's countywide employment growth, Washington State Department of Employment Security estimates of 2007 and projected 2009 non-agricultural wage and salary employment by Major NAICS category, and Berk & Associates analysis.

Note: A difference exists between forecasted growth in Non-Ag W&S jobs in the exhibit above and forecasted *total* employment growth as summarized in previous discussions of countywide growth. This difference reflects differences between what ECONorthwest forecasted for shares of Non-Ag W&S jobs and shares that ESD currently reports.⁷

⁶ Non-agriculture wage and salary employment excludes employees in the agricultural sector and it excludes employees that are not covered by the Washington State Unemployment Insurance Act [self-employed workers, proprietors, CEOs, etc.]. In many instances, employment data that are reported by governmental agencies reflect so-called "covered" or "wage and salary" employment, and in many instances, data exclude agricultural employment as well. For planning purposes, employment discussions typically focus on non-agricultural employment, and they often focus on covered jobs as well under the rationale that the planning focus is based on employees at traditional workplaces.

⁷ ECONorthwest forecasts imply relatively small differences between total employment and Non-Ag W&S employment, while ESD current data suggest that Non-Ag W&S jobs reflect a smaller portion of total employment. Since we are using ESD data to estimate our base-year Non-Ag W&S employment and using extrapolations of ECONorthwest forecasts for 2031, calculated Non-Ag W&S job growth substantially exceeds total job growth in the county.

Allocations Based on Current Employment Patterns

Exhibit 9 summarizes job growth allocations based on the current pattern of job distribution. Again, this allocation reflects what job growth would look like if roughly 34,000 new jobs were distributed in the county in the same pattern as they are currently distributed. Under this allocation scheme, areas that currently have a very small share of jobs would expect to see a similarly small share of the job growth.

Exhibit 9
Job Growth Allocations Using Current Job Distribution

	Commercial	Retail	Industrial	Total
Bellingham	12,255	4,042	5,416	21,714
Birch Bay	135	27	20	183
Blaine	764	87	520	1,370
Cherry Point	88	-	542	630
Columbia Valley	18	7	14	39
Everson	115	37	141	292
Ferndale	822	290	1,491	2,602
Lynden	1,003	390	691	2,084
Nooksack	8	17	72	97
Sumas	12	1	123	136
Unincorporated Rural	2,303	283	2,176	4,761
<i>LAMIRD</i>	NA	NA	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA	NA	NA
Total	17,522	5,181	11,205	33,909

Source: Berk & Associates analysis of Washington State Employment Security Data, ECONorthwest 2002 medium, countywide employment forecasts, and U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) data.

Allocations Based on Distinctions between Regional and Local Employment

The alternative approach to allocating job growth (the approach outlined in the November 25 memo) distinguishes between regional and local employment growth. The regression analysis used two explanatory variables to explain distribution of commercial, retail, and industrial employment among the study areas: (1) area population; and (2) a dummy variable for regional jobs in areas that were candidates for regional centers. In effect, the analyst sought to insert estimates of regional jobs in a manner that produced a good fit between the explanatory variables and the distribution of jobs by category.

Exhibit 10 summarizes the allocations that result from the regional/local method. Compared with the allocation that is based on current-distribution, the regional/local distribution allocates (1) significantly less growth to unincorporated rural areas of Whatcom County; (2) less growth to Bellingham; and (3) somewhat more growth to most of the remaining UGAs.

This allocation method puts significantly more growth in areas like the Columbia Valley and Birch Bay—areas with relatively little commercial activity today but substantial expected population growth under 1990-2008 trend approach. Depending on one's perspective, allocating job growth to a place like Columbia Valley may or may not be appropriate. Presumably, these are the kinds of topics that will be addressed in the Phase II policy-based allocation process.

Note that, because this allocation is driven in part by population growth, if decision makers want to use this allocation approach as a reference for Phase II allocation discussions, the Regional/Local employment allocations should be re-run once final Phase II population allocations are complete.

As a final note, the Regional/Local allocation method generates lower employment allocations for the City of Everson when compared with the historical-share allocation above (151 jobs versus 292). In reality, the residuals in the equations suggest that Everson *could* be added to the list of regional employment centers in each of the regression formulas. Moreover, if one were to treat Everson as a regional employment center, Everson's allocation of jobs under the Regional/Local approach would probably increase to roughly 400.

Exhibit 10 Job Growth Allocations Based on Regional/Local Distinctions

	Commercial	Retail	Industrial	Total
Bellingham	11,897	4,051	5,240	21,188
Birch Bay	362	44	333	739
Blaine	847	94	587	1,527
Cherry Point	-	-	542	542
Columbia Valley	411	50	379	840
Everson	74	9	68	151
Ferndale	928	302	1,532	2,763
Lynden	1,164	410	830	2,404
Nooksack	62	7	57	127
Sumas	58	7	53	118
Unincorporated Rural	1,719	207	1,584	3,510
<i>LAMIRD</i>	NA	NA	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA	NA	NA
Total	17,522	5,181	11,205	33,909

Source: Berk & Associates analysis of Washington State Employment Security Data; Washington State Office of Financial Management; Whatcom County building permit data; ECONorthwest 2002 medium, countywide employment forecasts; and U.S. Census Bureau.

Note: Local employment allocations are based on population growth allocations derived using the 1990 to 2008 distribution of growth within Whatcom County. If the Comp Plan Update team wished to use population growth as an input to job growth allocations as part of Phase II of the allocation process, the team should use final population allocations as the input to job allocation.

Comparison of Allocation Results

Exhibits 11 through 14 provide comparisons of allocations under the two approaches summarized above. **Exhibit 11** compares the allocations of total employment growth while **Exhibits 12, 13, and 14** compare allocations for commercial, retail, and industrial employment, respectively.

Exhibit 11
Comparison of Allocation Results Under Alternative Approaches
Total Employment Growth

	Historical Shares Approach	Regional/Local Approach
Bellingham	21,714	21,188
Birch Bay	183	739
Blaine	1,370	1,527
Cherry Point	630	542
Columbia Valley	39	840
Everson	292	151
Femdale	2,602	2,763
Lynden	2,084	2,404
Nooksack	97	127
Sumas	136	118
Unincorporated Rural	4,761	3,510
<i>LAMIRD</i>	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA
Total	33,909	33,909

Exhibit 12
Comparison of Allocation Results Under Alternative Approaches
Commercial Employment Growth

	Historical Shares Approach	Regional/Local Approach
Bellingham	12,255	11,897
Birch Bay	135	362
Blaine	764	847
Cherry Point	88	-
Columbia Valley	18	411
Everson	115	74
Femdale	822	928
Lynden	1,003	1,164
Nooksack	8	62
Sumas	12	58
Unincorporated Rural	2,303	1,719
<i>LAMIRD</i>	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA
Total	17,522	17,522

Exhibit 13
Comparison of Allocation Results Under Alternative Approaches
Retail Employment Growth

	Historical Shares Approach	Regional/Local Approach
Bellingham	4,042	4,051
Birch Bay	27	44
Blaine	87	94
Cherry Point	-	-
Columbia Valley	7	50
Everson	37	9
Ferndale	290	302
Lynden	390	410
Nooksack	17	7
Sumas	1	7
Unincorporated Rural	283	207
<i>LAMIRD</i>	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA
Total	5,181	5,181

Exhibit 14
Comparison of Allocation Results Under Alternative Approaches
Industrial Employment Growth

	Historical Shares Approach	Regional/Local Approach
Bellingham	5,416	5,240
Birch Bay	20	333
Blaine	520	587
Cherry Point	542	542
Columbia Valley	14	379
Everson	141	68
Ferndale	1,491	1,532
Lynden	691	830
Nooksack	72	57
Sumas	123	53
Unincorporated Rural	2,176	1,584
<i>LAMIRD</i>	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA
Total	11,205	11,205

Details on the Regional/Local Share Estimates

This final section provides some additional detail on the regional/local allocation approach for interested readers.

Again, the approach that distinguishes regional and local employment follows methodology that was outlined in the November 25 memo discussing allocation methods. The regression analysis used two

explanatory variables to explain distribution of commercial, retail, and industrial employment among the study areas: (1) area population; and (2) a dummy variable for regional jobs in areas that were candidates for regional centers. In effect, the analyst sought to insert estimates of regional jobs in a manner that produced a good fit between the explanatory variables and the distribution of jobs by category.

If one runs ordinary least squares regression analyses using only population as the explanatory variable, one finds that variations in population "explain" anywhere from 63% to 75% of the variation in employment. Specifically, R-square results were 63% for retail employment and 75% for both industrial and commercial employment. By creating dummy variables for "regional" employment for Bellingham, Blaine, Ferndale, and Lynden, the fit of the regression formulas was improved to the point where more than 99.9% of the variation in retail and commercial employment could be explained by a combination of population and the regional dummy variable.

For industrial employment, getting a good fit proved to require a bit more tweaking. First, as a regional industrial center, Cherry Point was added as a fifth regional center in the industrial regressions. Second, in order to get to a better fit, regional employment dummy variables were added for the Bellingham and Ferndale UGAs. With these additions, the regression formula was improved to the point where 99.8% of industrial employment variation could be explained by the formula generated by the regression.

In each case, the goal was to include regional employment figures for individual study areas that, in effect, spoke for the portion of variation that was not well explained by the variations in population.

Exhibit 15 summarizes the final regional employment figures that were used in the regression analyses. These figures, and the number of regional jobs identified, were used to determine the share of employment in each category that could be characterized as regional in nature.

Exhibit 15
Regional Employment Figures Used in Regression Analyses

	Commercial	Retail	Industrial	Total
Bellingham	19,500	12,050	3,900	35,450
Birch Bay	-	-	-	-
Blaine	1,300	200	600	2,100
Cherry Point	-	-	982	982
Columbia Valley	-	-	-	-
Everson	-	-	-	-
Ferndale	750	760	1,775	3,285
Lynden	1,250	1,110	475	2,835
Nooksack	-	-	-	-
Sumas	-	-	-	-
Unincorporated Rural	-	-	-	-
<i>LAMIRD</i>	NA	NA	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA	NA	NA
Total	22,800	14,120	7,732	44,652

Using the regional/local splits, projected new jobs were allocated to each UGA and to the remaining unincorporated rural area of the county. Regional jobs were allocated based on the relative splits implied in **Exhibit 15**. Local jobs were allocated based on each UGA's relative share of population

growth (using the 1990-2008 trend allocation scenario). Again, if decision makers wish to use the regional/local allocations to inform Phase II employment allocations, then the allocations should be updated once final Phase II population allocations are complete.

Exhibit 16 and **Exhibit 17** summarize the regional and local components of allocated job growth. Distributions of local employment shares are based on distributions of population (based on the allocation scenario that is driven by growth from 1990 to 2008). The linear relationship between population growth and employment growth in this approach explains why rural areas with very limited commercial activity (like the Columbia Valley area) are allocated significant shares of future job growth.

Exhibit 16
Regional Employment Shares Using Regional/Local Approach

	Commercial	Retail	Industrial	Total
Bellingham	8,545	3,648	2,153	14,346
Birch Bay	-	-	-	-
Blaine	570	61	331	961
Chery Point	-	-	542	542
Columbia Valley	-	-	-	-
Everson	-	-	-	-
Femdale	329	230	980	1,539
Lynden	548	336	262	1,146
Nooksack	-	-	-	-
Sumas	-	-	-	-
Unincorporated Rural	-	-	-	-
<i>LAMIRD</i>	NA	NA	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA	NA	NA
Total	9,991	4,274	4,269	18,534

Source: Berk & Associates analysis of ESD data and current population estimates by study area as summarized above.

Exhibit 17
Local Employment Shares Using Regional/Local Approach

	Commercial	Retail	Industrial	Total
Bellingham	3,352	404	3,087	6,842
Birch Bay	362	44	333	739
Blaine	277	33	255	566
Chery Point	-	-	-	-
Columbia Valley	411	50	379	840
Everson	74	9	68	151
Femdale	600	72	552	1,224
Lynden	616	74	567	1,258
Nooksack	62	7	57	127
Sumas	58	7	53	118
Unincorporated Rural	1,719	207	1,584	3,510
<i>LAMIRD</i>	NA	NA	NA	NA
<i>Other Unincorporated Rural</i>	NA	NA	NA	NA
Total	7,531	907	6,936	15,374

Source: Berk & Associates analysis of ESD data and current population estimates by study area as summarized above.

ATTACHMENT 2

Berk and Associates February 9, 2009 Memo:

*“Assessment of Existing Whatcom County Countywide
Population and Employment Growth Projections”*



MEMORANDUM

DATE: February 9, 2009

TO: Whatcom County Comprehensive Planning Team

FROM: Brett Sheckler, Morgan Shook, and Emily Heatherington

RE: Assessment of Existing Whatcom County Countywide Population and Employment Growth Projections

BACKGROUND AND PURPOSE

Whatcom County is embarking on a multi-year process to review and update the Whatcom County Comprehensive Plan. Since much of the Comprehensive Planning process is focused on planning for future growth, a key initial step in that process is developing a set of reasonable expectations about countywide growth. How many new residents and how much new commercial activity, in the form of new jobs, should Whatcom County expect to see in the coming decades?

In recent years, Whatcom County officials and officials at the Washington State Office of Financial Management (OFM) have invested considerable resources to develop population forecasts for Whatcom County. Given these investments, the Comprehensive Plan Update team has chosen not to engage in a complete re-vamp of population and employment forecasts. Rather, they have chosen to make use of existing forecasts: (1) examining how past and existing forecasts have performed to date; (2) examining what these forecasts foresee regarding the future; and (3) with those considerations in mind, identifying preferred forecasts for the coming planning period (2009 to 2031).

As part of the Comprehensive Plan Update team, Berk & Associates has been charged with reviewing and summarizing past and current forecasts and providing an overview assessment of how existing forecasts have compared with actual growth experienced by the county. Our goal in presenting this summary is to inform Whatcom County's decision makers, to provide a foundation for their identification of official forecasts that will drive the county's Comprehensive Planning process.

This memorandum is a revised version of a memo provided in September of 2008. Revisions included in this version seek to make more transparent the original analysis that Berk & Associates performed and the process by which the Comprehensive Planning Technical Advisory Group (TAG) and the Growth Management Coordinating Council (GMCC) used the information to inform their decisions.

When drafted in September of 2008, the goal of this memorandum was to provide data about existing forecasts and historical trends in a way that would inform debate among Whatcom County decision makers as they decided on population and employment forecasts. This memorandum was designed to serve as an initial foundation of information to be reviewed by the Comprehensive Planning Technical Advisory Group. Upon review and discussion of this document, consistent with its role of developing recommendations and options for consideration by the Growth Management

Summary of Existing Whatcom County Forecasts

Coordinating Council (GMCC) and the County Council, the TAG requested follow-on analyses and extrapolations. These follow-on analyses have been summarized in an accompanying memorandum.

As an addendum to this memorandum, Berk & Associates also developed a more detailed technical assessment of existing forecasts and population trends.

In subsequent stages of the project, the consultant team, selected county staff, and county decision makers have worked to develop and implement methodologies for allocating forecasts of countywide growth to subareas within the county.

THE EXISTING FORECASTS

In 2002, Whatcom County commissioned a set of employment and population forecasts to help in development of their Comprehensive Plan. Specifically, the County contracted with the consulting firm ECONorthwest to project countywide population and employment growth through 2022. In the same year of 2002, OFM generated an update of its population forecasts for the state and county. Since 2002, OFM has updated its population projections for Whatcom County, with its most current, 2007, projections now extending through the year 2030.

Both ECONorthwest and OFM have produced a set of baseline projections (a single set of projections that represent the most likely growth scenario based on their modeling). Each set of forecasts also includes high and low projections—projections that are intended to reflect the degree of uncertainty that exists around the baseline forecasts in question.

The 2002 baseline ECONorthwest population forecast equaled 231,928 persons for the year 2022. The 2002 OFM baseline forecast equaled 236,837 persons for the year 2022. The population projection included in the current Whatcom County Comprehensive Plan is in the range of the two forecasts at 234,917. Additional information regarding ECONorthwest's forecasts and OFM forecasts is included in the remainder of this memo to provide context for the proposed Whatcom County Comprehensive Plan Update.

SUMMARY OF FINDINGS

Population Estimates - How Have the Forecasts Performed?

Overall, from 2002 through 2008, both ECONorthwest's and OFM's baseline population forecasts have matched very closely with the actual estimated population growth in Whatcom County. Exhibit 1 shows ECONorthwest's 2002 baseline, high, and low forecasts and overlays historic estimated population from 1990 through 2008. The exhibit also shows OFM's 2007 forecasts for Whatcom County (including, again, a baseline, high, and low forecast). Since they were completed in 2007, OFM's forecasts begin in 2008.

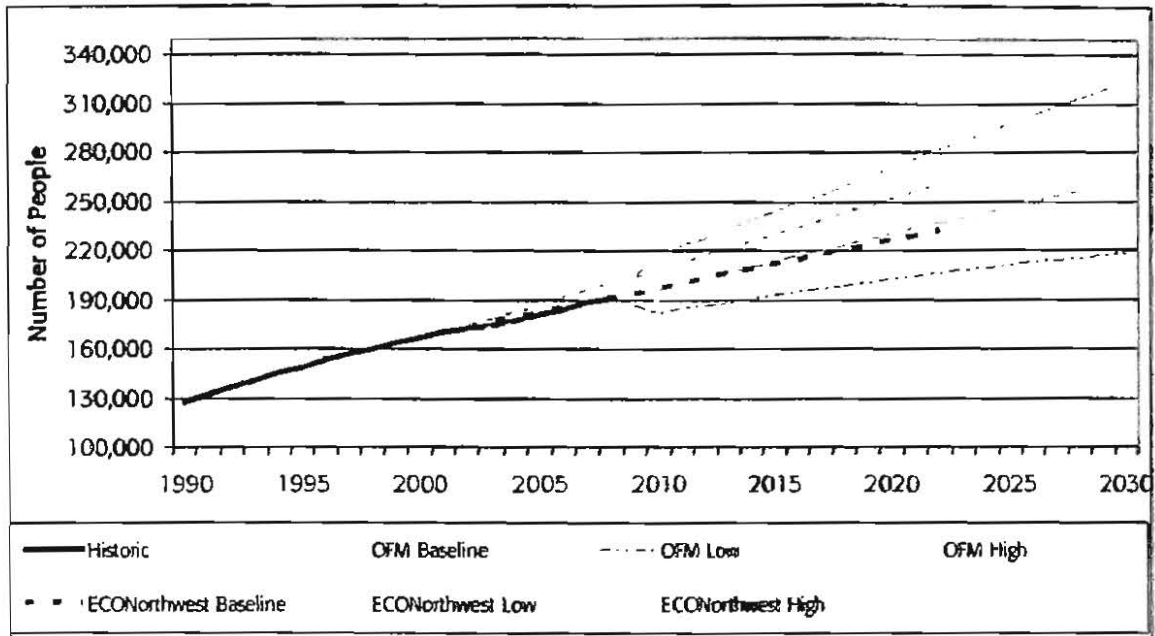
What Exhibit 1 shows is that, to date, ECONorthwest's baseline forecast has tracked very closely to actual county population (as estimated by the State OFM). The exhibit also shows that, through 2022, ECONorthwest's and OFM's baseline forecasts are largely in agreement.¹ The principal difference

¹ OFM's 2002 baseline forecast for Whatcom County was slightly higher in the late years (246,636 in 2025), but the office's 2007 baseline forecast was reduced by a small amount (a reduction of 230 residents in 2025,

Summary of Existing Whatcom County Forecasts

between the two sets of forecasts is the wider disparity between OFM's baseline forecast and the office's high and low forecasts.

Exhibit 1
Historic and Projected Whatcom County Population
(ECONorthwest and OFM Projections)



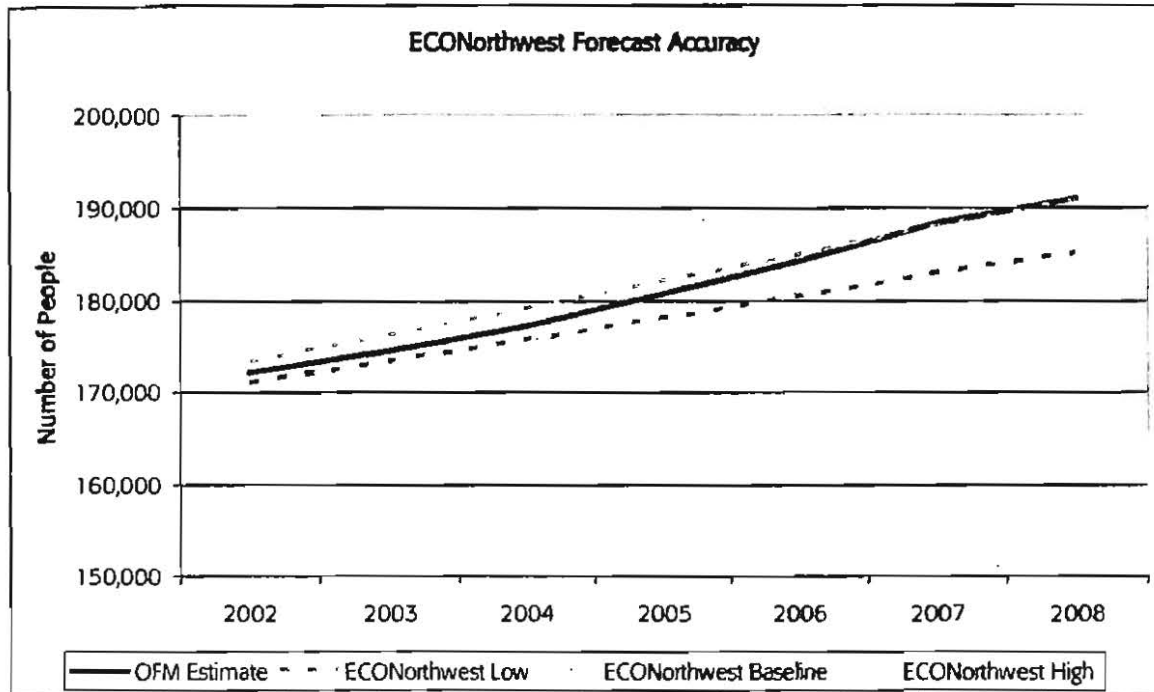
Source: ECONorthwest 2002, Washington State Office of Financial Management 2007.

Due to the scale of Exhibit 1, it is difficult to discern precisely how well ECONorthwest's forecast tracked with estimated actuals, but Exhibit 2 provides a more focused look at the most recent six years. What Exhibit 2 shows is that ECONorthwest's forecasts turned out to be a bit higher than actuals in the first few years of the period, but since then, OFM's estimates of Whatcom County's actual population have fallen almost directly in line with ECO's baseline projection.

bringing the 2025 estimate to 246,406). This modest reduction in the long-term growth brought OFM's baseline forecast closer to ECONorthwest's for the period where they overlap.

Summary of Existing Whatcom County Forecasts

Exhibit 2 Historical and Forecasted Whatcom County Population ECONorthwest Forecasts versus OFM Estimates of Actuals (2002 through 2008)



Source: ECONorthwest 2002, Washington State Office of Financial Management 2007.

In terms of annual compounded growth rates, OFM's baseline projection translates into an average compound growth rate of 1.54%, from 2008 to 2022, while ECONorthwest's forecasts for the same period translate into annual average compound growth equaling 1.40%.

Employment Estimates - How Have the Forecasts Performed?

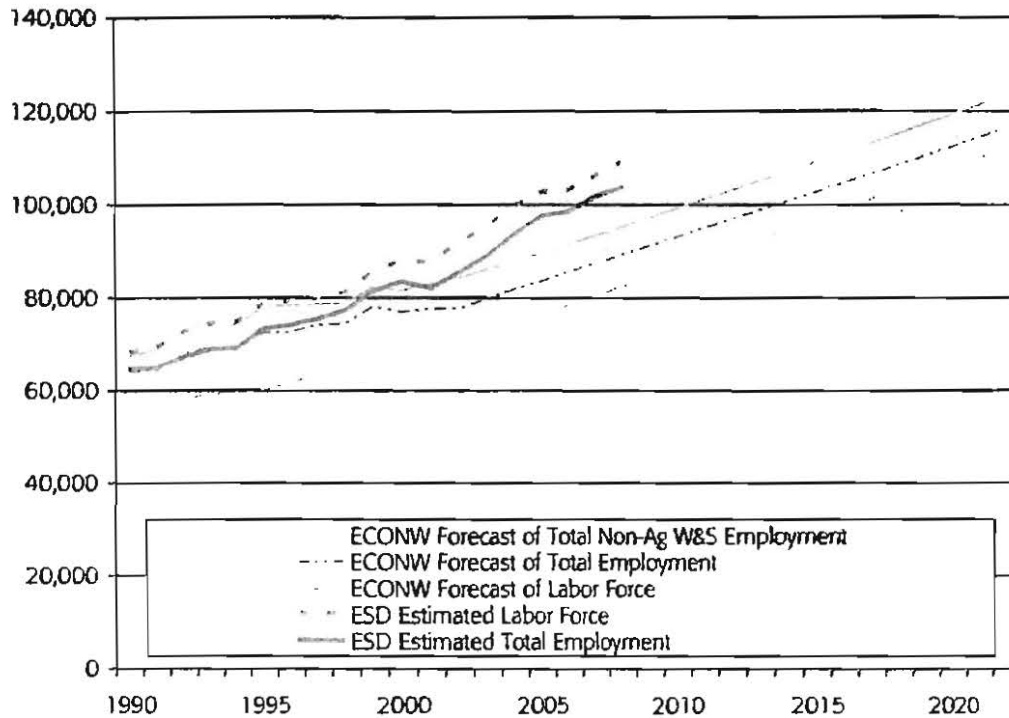
Unlike ECONorthwest's forecasts of population, ECO's baseline forecasts of employment and labor force² from 2002 to 2008 do not match well with current estimates generated by Washington State's Employment Security Department (ESD). In 2008, ESD estimates that Whatcom County has 103,800 employed persons, coming from a total labor force of 109,260. In contrast, ECONorthwest's baseline

² "Labor force" is the total number of civilian, non-institutionalized members of the population over 16 years of age who are either currently employed or actively seeking work.

Summary of Existing Whatcom County Forecasts

employment forecast estimated that, in 2008, the county would have roughly 89,200 employed persons, from a labor force of nearly 95,300 (Exhibit 3).³

Exhibit 3
ECONorthwest Historic and Baseline Forecast of Employment and Labor Force for Whatcom County (1990 – 2022)



Source: ECONorthwest 2002, Washington State Employment Security Department 2007

It appears that the major reason ECONorthwest's employment projections do not match with ESD's current estimates is that ESD has recently re-estimated (or "benchmarked") its employment and labor force estimates, a process which resulted in a revision of historical counts.

In 2002, when ECONorthwest used ESD data to inform its forecasts, ECO shows ESD's estimate of 2000 Whatcom total employment to be slightly less than 77,000, from a labor force of 81,600. (With a population of about 167,000, that translates into a labor participation⁴ rate of less than 49%.)

³ Note that these figures reflect all employed persons in Whatcom County, including those employed in agriculture. When focusing on demand for land in urban areas, however, and in typical efforts to track so-called "wage and salary" employment, the discussion will exclude agricultural employment.

⁴ The standard definition of "labor participation rate" is the proportion of labor force to the total population aged 16-64. For the purposes of this discussion, we are defining "labor participation rate" as the proportion of labor to the total population of all ages.

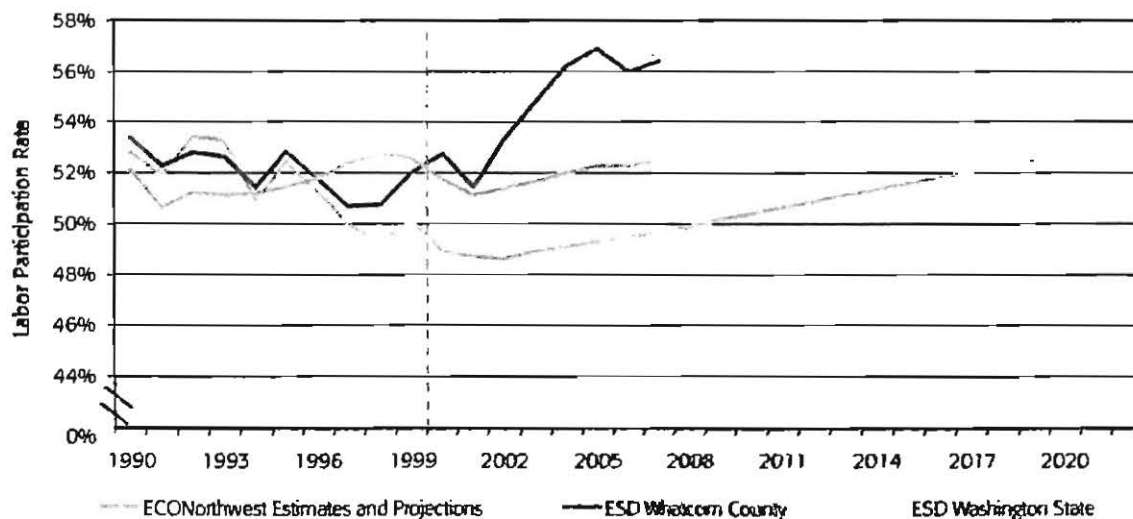
Summary of Existing Whatcom County Forecasts

Since 2002, ESD has benchmarked and restated its historical estimates to say that Whatcom County had about 83,500 employed persons in 2000 (roughly 6,500 higher than the figures used by ECONorthwest for the same year), from a total labor force of more than 88,000. These figures suggest a labor participation rate of 53%, which falls much closer to what has been typical for Whatcom County in recent years (51% to 54%).

Exhibit 4 shows historical labor participation rates for Washington State (as currently reported by ESD); labor participation rates for Whatcom County (as currently reported by ESD); and labor participation rates reported/forecasted by ECONorthwest in 2002. Throughout the historical period, labor participation rates across Washington State have hovered between 51% and 53%. ESD's current estimates suggest that, with the exception of 1997 and 1998, Whatcom County's labor participation rates have been higher than those of the state as a whole. It is interesting to note that, in the most recent years, ESD's current estimates suggest that Whatcom's labor participation rate has risen to more than 56% (a high rate by historical standards).

It appears that, in terms of ECONorthwest's analysis, the historical data they were using (data through 2001) were pointing to a trend of eroding labor participation, with rates falling from 53% in the mid-1990s to less than 49%. It appears that, having these data to use as the jumping off point for its forecasts, ECO's forecasting model returned similar low labor participation and employment rates in the early years of the forecast period, with rates rising over time to return to historical norms.

Exhibit 4
Historic and Forecasted Labor Participation Rates for Whatcom County and Washington State



Source: ECONorthwest 2002, ESD 2007, OFM 2007.

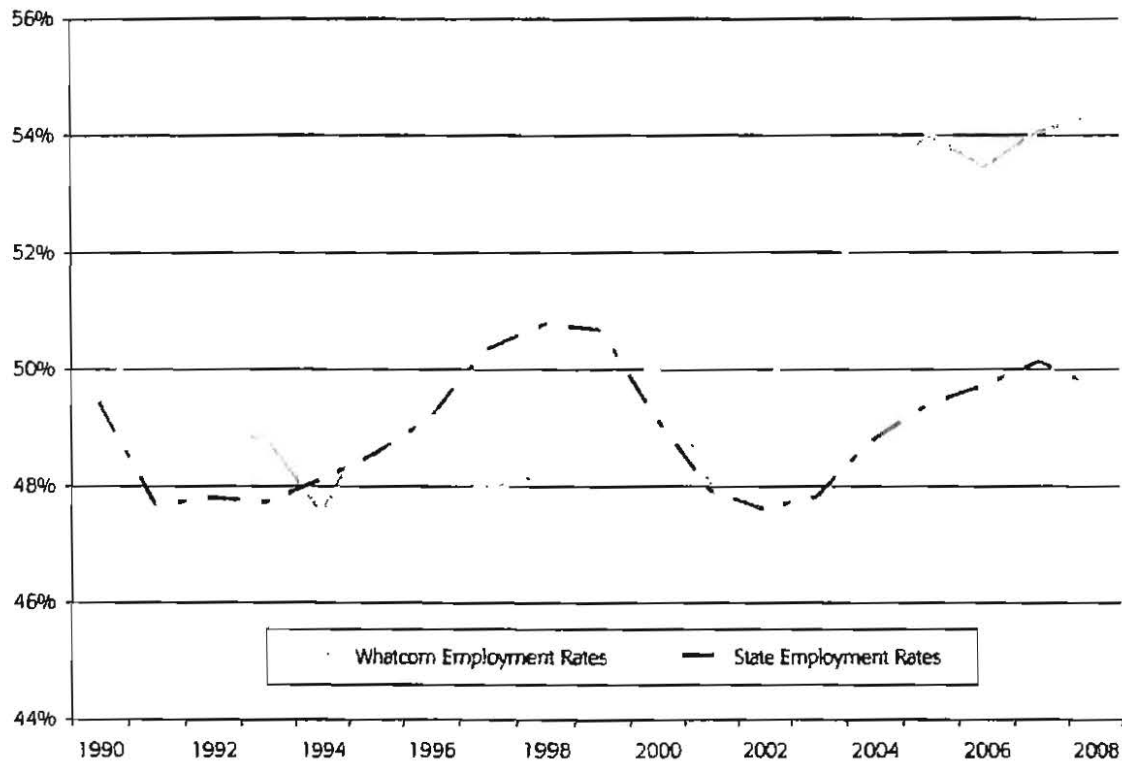
Given the employment and labor participation data that ECONorthwest were working with as a base, it is not surprising that ECO's baseline employment forecasts for the early years of the forecast period were significantly low. However, given ECO's forecasted increase in labor participation rates in the latter years, it is probably reasonable to assume that ECO's labor participation forecasts for 2022 (the last year of the forecast horizon) will be more in line with the county's actual participation.

Summary of Existing Whatcom County Forecasts

For purposes of this discussion, the term *employment* rate is used to signify the ratio between Whatcom County employee counts and county population. While labor participation rates refer to the share of population that are in the labor force, employment rates refer to the actual number of jobs. Employment rates can be expected to be perhaps 4% lower than labor participation rates, reflecting (1) persons who are in the labor force but who are currently unemployed, and (2) the effect of persons who hold more than one job.

Exhibit 5 shows historic employment rates for Whatcom County and Washington State. (Again, for purposes of this assessment, the term employment rate refers to the ratio of Whatcom County employment to county population.)

Exhibit 5
Historic Employment Rates for Whatcom County and Washington State



Source: Washington State Employment Security Department 2007, Washington State Office of Financial Management 2007.

From a practical perspective, as the planning team looks forward, it may be that Whatcom County will be best served if it focuses on identifying a preferred population projection for the current planning period and, using that as a base, forecasts employment levels based on historical rates of labor participation and employment. For example, having established a preferred population forecast, when forecasting employment, the team may wish to assume that labor participation rates in Whatcom County will be, say, 52% or 53% of total county population, and employment rates will average, say,

Summary of Existing Whatcom County Forecasts

49% of population. (Employment rates of 49% are consistent with the average in Washington State over the last 18 years and with the average in Whatcom County from 1990 to 2003 [Exhibit 5]).

Looking at Exhibit 5, one sees that the most recent ESD employment data suggest that Whatcom County's employment rate has surged in recent years to 54%, a significant departure from historic norms. Analysts at ESD suggest that this strong growth in the rate of employment has been driven by strong growth in the county in recent years.

Over the long-term, forecasters at ESD expect labor force participation to decrease as the baby boom generation transitions into retirement, decreasing to a bit below 50% of the state's total population.

SUMMARY

Again, the goal of this memorandum is to provide data about existing forecasts and historical trends in a way that will inform debate among Whatcom County decision makers as they reach a consensus on reasonable population and employment forecasts. As the planning team engages in that debate, it may be useful for the team to focus initially on identifying a preferred population forecast and, with that as a base, turn their attention to estimates of employment.

ATTACHMENT 3

Tables - 2031 Allocated Population Forecasts Under Various Growth Scenarios

2031 Allocated Population Under Various Growth Scenarios

Growth Allocation

Study Area	2008 Population	SEPA No Action Alternative	GMCC Historic Share Scenario	GMCC Current		
				Comp Plan Scenario	EIS Alternative X	EIS Alternative Y
Bellingham UGA	89,284	22,580	26,920	31,101	36,744	23,771
Birch Bay UGA	5,290	3,299	2,909	4,546	3,239	6,017
Blaine UGA	5,754	2,040	2,227	2,810	3,319	3,720
Cherry Point UGA						
Columbia Valley UGA	3,924	1,076	3,304	2,230	1,000	2,952
Everson UGA	2,395	1,068	582	1,458	1,738	1,947
Ferndale UGA	12,019	4,764	4,817	6,563	7,753	8,688
Lynden UGA	11,613	4,705	4,947	6,480	7,656	8,580
Nooksack UGA	1,137	636	498	875	1,035	1,159
Sumas UGA	1,279	390	466	599	707	793
<i>Rural</i>	58,305	3,359	13,820	3,828	4,257	9,821
TOTALS	191,000	43,917	60,490	60,490	67,448	67,448

Total Population (Existing Population plus allocated new population)

Study Area	2008 Population	SEPA No Action Alternative	GMCC Historic Share Scenario	GMCC Current		
				Comp Plan Scenario	EIS Alternative X	EIS Alternative Y
Bellingham UGA	89,284	111,864	116,204	120,385	126,028	113,055
Birch Bay UGA	5,290	8,589	8,199	9,836	8,529	11,307
Blaine UGA	5,754	7,794	7,981	8,564	9,073	9,474
Cherry Point UGA						
Columbia Valley UGA	3,924	5,000	7,228	6,154	4,924	6,876
Everson UGA	2,395	3,463	2,977	3,853	4,133	4,342
Ferndale UGA	12,019	16,783	16,836	18,582	19,772	20,707
Lynden UGA	11,613	16,318	16,560	18,093	19,269	20,193
Nooksack UGA	1,137	1,773	1,635	2,012	2,172	2,296
Sumas UGA	1,279	1,669	1,745	1,878	1,986	2,072
<i>Rural</i>	58,305	61,664	72,125	62,133	62,562	68,126
TOTALS	191,000	234,917	251,490	251,490	258,448	258,448

Source: Whatcom County Planning

ATTACHMENT 4

Table - 2031 Allocated Employment Forecasts Under Various Growth Scenarios

2031 Allocated Employment Under Various Growth Scenarios

March 6, 2009 Draft

Study Area	2008 Employment	SEPA No Action Alternative	GMCC Current Job Dist. Alternative	GMCC Regional/Local Alternative	EIS Alternative X	EIS Alternative Y
Bellingham UGA	51,153	18,829	21,713	21,188	25,851	21,260
Birch Bay UGA	436	205	182	739	213	1,377
Blaine UGA	2,971	988	1,371	1,528	1,602	1,903
Cherry Point UGA	1,182	503	630	542	760	587
Columbia Valley UGA	90	45	39	840	47	455
Everson UGA	638	163	293	151	351	446
Ferndale UGA	5,534	1,286	2,603	2,762	3,137	3,669
Lynden UGA	4,832	1,643	2,084	2,404	2,502	3,227
Nooksack UGA	206	21	97	126	121	266
Sumas UGA	254	124	136	118	165	182
<i>Rural Growth</i>		2,276	4,761	3,510	2,446	3,823
TOTALS	67,296	26,083	33,909	33,908	37,195	37,195

Source: Whatcom County Planning

ATTACHMENT 5

Bellingham Planning Commission Findings of Fact, Conclusions and Recommendations

February 26, 2009

**CITY OF BELLINGHAM
PLANNING COMMISSION
FINDINGS OF FACT, CONCLUSIONS AND RECOMMENDATIONS
February 26, 2009**

Re: PROPOSED 20-YEAR POPULATION AND EMPLOYMENT GROWTH FORECASTS

Background – Bellingham, Whatcom County and the small cities are currently working on updates to city urban growth area (UGA) boundaries and preparations for our next round of comprehensive plan updates. In order to complete both of these tasks, new 20-year population and employment growth forecasts are needed. Consultants working for the County and the cities have prepared new growth forecasts that are being reviewed by all the jurisdictions. The cities are reviewing the information and developing recommendations to the County.

At the conclusion of the County's review process, the County Council will adopt a new county-wide growth forecast and allocations to all the jurisdictions. Final adoption by the County is scheduled to occur in June 2009. The County will then use the adopted growth forecasts to update UGA boundaries for all the jurisdictions, also by the end of June. Bellingham (and the other cities) will use the adopted forecasts to update our comprehensive plans. The updates must be completed and adopted by December 1, 2011.

The Planning Commission held one public hearing on February 12 and one worksession on February 26 to review the population and employment growth forecasts and to develop recommendations that will be reviewed by the City Council. The Commission hereby adopts the following Findings of Fact, Conclusions and Recommendations.

I. FINDINGS OF FACT

1. Project Description

Whatcom County is required by the Growth Management Act (GMA) to review and update all of the UGAs in the county every 10 years. The deadline for the work was in 2007. The County did not complete the work in accordance with the GMA. As a result, the Western Washington Growth Management Hearings Board has ordered the County to complete the UGA review process by the end of June 2009. (The County has applied for a 6-month extension of the deadline. No decision on this request had been made as of the date of adoption of these findings.

New 20-year population and employment growth forecasts are needed in order to complete the UGA review. Consultants working for the County (Berk and Associates) have developed new growth forecasts for review by the cities and County. Once adopted, the County will then use the new growth forecasts to review and update UGA boundaries for all the jurisdictions.

In addition, Bellingham (and the other cities) and Whatcom County are required to update our comprehensive plans by the end of 2011. New 20-year population and employment growth forecasts are critical pieces of information that the City will use to update our comprehensive plan.

2. Procedural History

February 12, 2009 – The Planning Commission held a property noticed public hearing to receive comments from the community regarding the proposed population and employment growth forecasts. At the conclusion of the hearing, the Commission scheduled an additional

worksession to continue reviewing the forecasts. The written comment record was left open for two weeks.

February 26, 2009 – The Commission held a worksession to continue reviewing the various population and employment growth forecasts.

3. Public Comment

Approximately 10 people spoke at the public hearing, expressing a range of opinions regarding the preferred population growth forecast that the City should use to update our comprehensive plan. Some people advocated using the lowest growth forecast allowed by law. Others wanted the City to use the OFM baseline population growth forecast as it is consistent with past growth trends and represents the most likely to occur scenario according to OFM. See the attached meeting minutes from the February 12 public hearing and the February 26 worksession for a summary of the comments.

4. State Environmental Policy Act (SEPA) Determination

The development of a recommendation regarding new 20-year population and employment growth forecasts is exempt from SEPA review. Whatcom County is preparing an environmental impact statement as part of the UGA review process, to identify the potential impacts of a number of different population and employment growth scenarios. The draft EIS is scheduled to be completed at the end of April.

II. CONCLUSIONS

After review of all the information presented, the Planning Commission concludes that:

- The most appropriate county-wide population growth forecast to adopt is one that is within the overall range provided by the State OFM and therefore complies with the GMA. Most commissioners felt that the appropriate forecast is one that provides a balance between the low and high range OFM forecasts, and represents a slightly slower rate of growth than has occurred over the past 18 years in Whatcom County.

The most appropriate Bellingham area forecast is one that is consistent with the amount of growth that the city can reasonably accommodate under our 2006 comprehensive plan, and within our current city and UGA boundaries.

The most appropriate population and employment growth forecasts for Bellingham and other cities is one that is consistent with the concept of a county-wide "jobs/housing balance" and living wage jobs. More of the future population and employment growth should be allocated to the other cities so that they are encouraged to become their own economic centers. People that live in these cities should have the opportunity to work and shop there as well.

- The Commission further concludes that the County should take appropriate steps to reduce the amount of growth happening in the rural and agricultural areas of the county. These steps could include down-zoning, lot consolidation, purchase and/or transfer of development rights, metering of permits, and imposition of impact and other development fees. Imposition of impact fees by all jurisdictions is particularly important to 'level the playing field' with respect to the cost to develop a lot in the cities vs. a parcel in the rural areas.

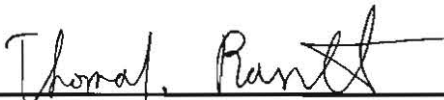
III. RECOMMENDATIONS

Based on the Findings of Fact and Conclusions contained herein, the Planning Commission:

- concurs with recommendation of the Growth Management Coordinating Council that the appropriate forecast to use for UGA review and comprehensive planning purposes is 251,500;
- recommends the City plan for 44.5% of total county growth, not to exceed a total population of 116,200 in 2031; and
- supports use of either the Historical Share or Regional/Local employment growth forecast. As a matter of policy, the Planning Commission supports a jobs/housing balance in the other jurisdictions and more living wage jobs in Bellingham.
- recommends that Whatcom County take immediate steps to reduce the development capacity and thereby the amount of growth that has been happening in the rural and agricultural areas of the county.

The final motion to approve the Findings of Fact, Conclusions, and Recommendation was approved by a unanimous vote of 5-0.

ADOPTED by the Planning Commission this 26th day of February _____, 2009.



 Chairperson

ATTEST: 

 Recording Secretary

APPROVED AS TO FORM:

 Office of the City Attorney



BELLINGHAM CITY COUNCIL

210 Lottie Street, Bellingham, Washington 98225
Telephone (360) 778-8200 Fax (360)778-8101
Email: ccmal@cob.org Website: www.cob.org

NOTICE OF PUBLIC HEARING

Notice is hereby given that the **BELLINGHAM CITY COUNCIL** will hold a public hearing during the Council's Planning and Community Development Committee on **MONDAY, MARCH 23, 2009 @ 7:00 PM**, or as soon thereafter as possible, in the **CITY COUNCIL CHAMBERS, CITY HALL, 210 Lottie Street, Bellingham, Washington**, to take public comment on the following:

CONSIDERATION OF A RANGE OF 20-YEAR POPULATION AND EMPLOYMENT GROWTH FORECASTS TO DETERMINE WHICH FORECASTS SHOULD BE USED TO UPDATE BELLINGHAM'S URBAN GROWTH AREA BOUNDARY AND COMPREHENSIVE PLAN.

For additional information, please contact Greg Aucutt at 778-8344 or by email at gaucutt@cob.org.

Anyone wishing to comment on this topic is invited to attend; or if unable to attend, to send your comments, in writing to the Council Office, 210 Lottie Street, or email to citycouncil@cob.org, or fax to 778-8101, to be received prior to 10:00 a.m., Wednesday, March 18, to be included in the agenda packet.

For our citizens with special needs, City Council Chambers are fully accessible. Elevator access to the second floor is available at City Hall's west entrance. For special accommodations, please contact J. Lynne Walker at 778-8200 in advance of the meeting.

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March 18, 2009

Bellingham City Council
210 Lottie Street
Bellingham, WA 98225

Subject: 2031 Population projection and Bellingham allocation

Dear Members of the Bellingham City Council:

The primary goal of Futurewise Whatcom is to protect our working farms, forests, and other rural areas from sprawling development. Bellingham can take three important actions to help itself, the County, and citizens deal effectively with the threat of sprawl:

- Support Futurewise Whatcom in our call for a common-sense UGA-sizing methodology: Start Low, Monitor, and Adjust.
- Request a low population allocation for Bellingham to maximize opportunities for smaller cities to grow into self-contained communities.
- Help develop regulations that require the County to protect lands zoned for agriculture or used for farming as UGAs expand.

Start Low, Monitor, and Adjust

We all understand that having UGAs sized correctly—neither too big nor too small—is the starting point for good planning. Ignoring current reality and sizing UGAs based on population studies done years ago is hardly the way to do that. Not even the Office of Financial Management (OFM) has much faith in its *current* projections!¹

The truth is that nobody knows what the population will be in 2031. And since it is far easier to expand UGAs than shrink them, we believe the County should select the lowest possible forecast. It can then monitor actual population expansion every few years and adjust UGAs to ensure an adequate land supply. The sensible approach is to expand UGAs only when there is a clear and immediate need to do so.

We urge the Bellingham City Council to support a common-sense response to population forecasts. For now, that may mean planning for a 2031 population of 234,917. But even the

¹ According to an OFM PowerPoint presentation (11/14/2008), "There is a considerable amount of uncertainty in any forecast being developed at the present time. There is no precedent for the national financial crisis now occurring."

Steering Committee: Allison Aurand, Todd Donovan, Lynnea Flarry,
Eric Hirst, Michael Lilliquist, Charlie Maliszewski, Tris Shirley, Dan Warner
Chapter Director: Cathy Lehman

OFM's low forecast of 220,000 would be adequate for many years of expansion, and would therefore be preferable.

Largely Self-Contained Communities

Bellingham has long been a leader in promoting alternative transportation within the City. But soon we will no longer be able to afford—financially or environmentally—to have so many Whatcom County residents driving to Bellingham for jobs, shopping, and services.

The alternative is to begin directing future population expansion to the smaller cities. With a greater share of population fueling development in those cities, they can expand local jobs, local shopping, and local services. This will be far better for them and far better for Bellingham.

Smart growth is when population expansion occurs in and around existing urban areas. *Brilliant growth* is when people are actually better off as a result. We have an opportunity to stimulate brilliant growth by allocating more population to the smaller cities—and less to Bellingham. Then we must work with the County and other cities to create incentives for the population to expand where we have planned.

Protect Agricultural and other Resource Lands

While this issue is not immediately before the City Council, Bellingham's support for it is key to effective growth management for the entire County. Bellingham can show leadership by supporting the preservation of agricultural and forestry lands as the County accommodates future population expansion.

At this time, Futurewise Whatcom does not have a specific policy to propose. There is time to collaborate with all of the stakeholders and arrive at a solution for agricultural land preservation that is acceptable to all. If the County adopts the lowest possible population projection for UGA sizing, there should be no immediate threat of further UGA expansion into agricultural land. But it will happen sooner or later, and now is the time to start addressing the problem

Surveys consistently show that the people of Bellingham and Whatcom County want agriculture preserved. The only way we can do that and accommodate future population expansion in our cities is to trade lands lost to urban expansion for other rural land with good soils. Whatever the ultimate cost of such a policy, it is a cost of population expansion that must be paid if we are to preserve agriculture and forestry in Whatcom County for ourselves and for future generations.

Bottom Line

Futurewise Whatcom urges the Bellingham City Council to support:

- A 2031 county population projection of 234,917 or lower
- An allocation for Bellingham of about 110,000 people or fewer.

This letter provides a general sense of our position and the basis for our recommendations. The attachment to this letter, *Ten Reasons for a Lower Population Projection*, provides more reasons and additional explanation. Please contact Tris Shirley (715-0868, tjshirle@openaccess.org) or Eric Hirst (656-6690, EricHirst@comcast.net) if you have any questions on this statement.

Finally, Futurewise Whatcom joins others who have pointed out that a planning goal brings little change by itself. Policies, programs, and land use regulations will need to be crafted to guide and manage the location and character of future residential development. We look forward to this next step.

Sincerely,

Cathy Lehman
Chapter Director, Futurewise Whatcom

cc: Mayor Dan Pike
Tim Stewart, Director of Planning and Community Services

Ten Reasons for a Lower Population Projection for the Whatcom 2031 Planning Project

February 2009

Futurewise Whatcom strongly recommends that Whatcom County adopt a 20-year population projection at the lowest end of the range provided by the Office of Financial Management (OFM), both in the near term for the Environmental Impact Study (EIS) and in the longer term to guide land-use policy and programs going forward. Specifically, we suggest a population projection around 220,000.

We do so for many reasons, including:

1. The Whatcom County Council should plan our future population based upon policy considerations, not simply accept past trends.
2. Whatcom County citizens strongly favor slower growth.
3. Whatcom County is losing its rural areas to sprawl at an alarming rate, and a lower population projection will support agricultural preservation.
4. The technical analysis in support of the GMCC projection is flawed and out of date.
5. A population number at the high end may drive the unnecessary expansion of existing Urban Growth Areas (UGAs)
6. Planning for high population growth commits the county and its municipalities to provide an unaffordable level of government services and infrastructure.
7. Policies and programs aimed at guiding the character and quality of growth do not depend upon a high population projection. We can accomplish these goals more easily under a low-growth scenario.
8. Slower population growth contributes to a better quality of life and preserves the diversity of lifestyles that Whatcom residents value.
9. Population projections are, in part, self-fulfilling prophecies.
10. A lower projection is less risky and easier to adjust to actual growth patterns in the future.

These reasons are explained more fully below.

1. Selecting a population projection is primarily a policy decision

One of the guiding principles of the Growth Management Act (GMA) is to allow local discretion to plan best for ways to prevent harmful sprawling development in rural areas. Therefore, the Act provides Whatcom County with complete discretion to adopt any population projection within the broad range developed by the state Office of Financial Management (OFM): about 219,000 to 330,000 residents in 2031. Any number within this range is permissible and justifiable.

Although based upon a technical analysis, the County's adoption of a population projection is primarily a policy decision. Moreover, the policy decision must reflect the preferences of the county's citizens—what we want the county to look like in 2031. To date, there has been little meaningful public involvement on the population projection and UGA review. The final decision must incorporate more and better public involvement, and must reflect the public's concern about the harmful effects of population growth.

2. Whatcom County citizens strongly favor slower growth

The record on citizen preferences is clear. Surveys conducted by Bellingham and Whatcom County show unambiguous and consistent results. More than half the Bellingham citizens responding to its phone survey ranked growth-related issues as the single most important problem facing Bellingham.

Almost 2-1/2 times as many respondents to county-sponsored surveys and workshops thought the Growth Management Coordinating Council (GMCC) population number of 251,490 people was too high (almost 50%) as thought it was too low (20%); see Fig. 1.

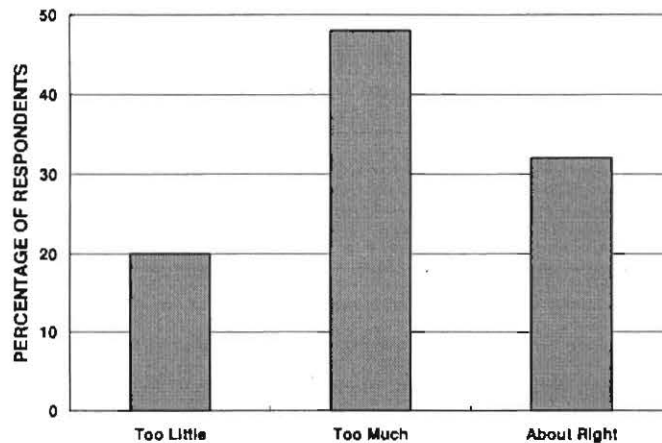


Figure 1. Responses from almost 400 people to question about projected population growth. Almost 50% thought the GMCC projection was too high, while only 20% thought it was too low.

These survey and workshop results show:

- People throughout Whatcom County are very concerned about the potential adverse effects of rapid population growth. These adverse effects include loss of farmland and other rural areas to sprawling developments, reductions in air and water quality, greater traffic congestion, and loss of the sense of “place” that makes Whatcom County enjoyable.
- Citizens can “connect the dots” between rapid growth and a declining quality of life. Because of the concerns listed above, Whatcom County citizens strongly prefer slower growth to more rapid growth. In particular, they think that the population projection for 2031 recommended by the GMCC (i.e., 251,490 people) is too high.

3. Whatcom County is losing its rural areas to sprawl at an alarming rate

Contributing over \$300 million annually, agricultural and resource land production is a cornerstone of our local economy, and it marks Whatcom County as the largest agricultural producer in western Washington. We need to control the rate of growth and sprawl to protect this vital economic sector. But according to several lines of evidence, Whatcom County’s rural and agricultural lands are in serious jeopardy of conversion to residential use, thus undermining our local economy and quality of life in Whatcom County.

Data from the U.S. Department of Agriculture show that, between 1982 and 2003, an average of 1,200 acres a year of farms and forests were converted to urban uses. Worse, the pace of conversion is accelerating, from about 500 acres a year during the mid-1980s to about 2,000 acres a year in 2000 (Fig. 2). Thus, every two years we lose an area almost equal in size to Ferndale.

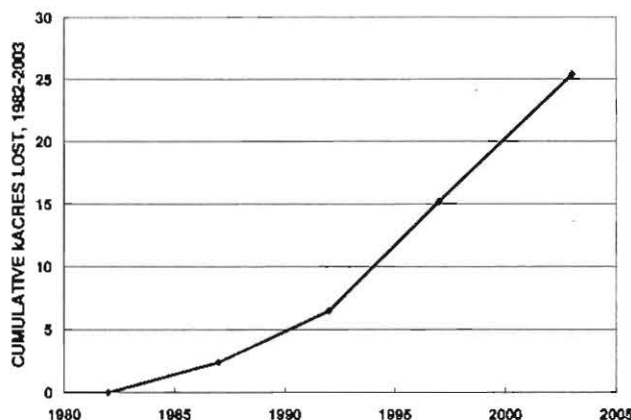


Figure 2. Whatcom County loses about 1,200 acres of rural land a year.

Using different data, the recent Census of Agriculture showed that Whatcom County lost 31% of its agricultural lands in just the five years between 2002 and 2007—the fastest rate of loss for any county in Washington State.

This loss of rural lands occurs for two reasons: expansion of UGAs (urban sprawl) and inappropriate developments within areas zoned for agriculture, forestry, and rural (rural sprawl). Outward expansion of existing cities probably accounts for only about one third of the loss of rural areas, with growth in the unincorporated rural areas accounting for the other two thirds. Selecting an unnecessarily high population projection may be used to justify this harmful trend towards population growth in the unincorporated areas.

The 2004 Comprehensive Plan called for adding only 205 people a year in the unincorporated rural areas between 2002 and 2022, to protect these areas and retain their rural character. In reality, four times that many people, 800 a year, settled in these rural areas between 1990 and 2008. Stated differently, 23% of the county's population growth during the past 18 years occurred in rural areas, compared with the 6.3% called for in the Comprehensive Plan. Clearly, a big gap exists between policy and preferences on one hand and reality on the other hand. A higher population projection will create pressure to permit this dangerous and unwanted trend to continue.

4. The technical analysis in support of the GMCC projection is flawed and out of date

The technical results presented to the GMCC were based on analysis completed in 2002. WWU professor John McLaughlin reviewed that analysis and identified several statistical flaws. Perhaps more important, the latest results are merely updates of the 2002 work. That is, the current projections are extrapolations of pre-2002 trends with no new analysis. Obviously, today's local economy and housing market are entirely different from what they were in 2002.

Given the national and global downturn, it is very unlikely that the economy will grow over the next few years as it did during the late 1990s and early 2000s. Relying upon recent past trends invites avoidable error.

The recent draft Land Capacity Analysis shows that our past planning efforts have included unrealistic and unjustifiably large Urban Growth Areas (UGAs). Now we must back track. Let us not make the same mistake again, by assuming ambitious and unaffordable population growth. Instead, Whatcom County should pick a lower, more conservative number, and then devote more of its planning efforts to guiding the character and location of growth that does occur.

5. A higher projection may drive unnecessary enlargement of UGAs

Although still in draft form, Whatcom County's recent Land Capacity Analysis provides strong evidence that existing UGAs are more than sufficient to provide for likely residential and commercial growth over the next 20 years. Indeed, as we have argued in the past, the sizes of several UGAs are far in excess of what can be justified based upon expected growth. However, if a larger population projection is selected, there will be pressure to increase some of these UGAs and pressure to resist reducing the oversized UGAs. Put simply, a larger population number will support a trend towards even more urban sprawl, thus defeating one of the primary goals of the GMA.

6. Planning for high population growth commits the county to providing an unaffordable level of government services and infrastructure.

By committing itself to a larger population number, Whatcom County will also be committing itself to build and pay for significantly more infrastructure and government services. This includes roads, bridges, stormwater and flood control measures, as well as fire, police, emergency, and public health services. Providing public infrastructure in residential rural areas is especially expensive on a per capita basis and is unsustainable in the long run without large tax increases. Cost of Service studies show that working and open lands generally return *three times* the revenue compared to the cost of public services that they use. Residential development is just the opposite. Residential development requires around \$1.17 in services for each tax dollar that it provides.² Put simply, sprawling residential development leads to either lower government services or higher taxes. In contrast, preserving our working lands contributes both to a healthy local economy and to local government's ability to serve its citizens.

The County and its municipal governments currently face serious budget shortfalls and can ill afford to subsidize new developments. Rather than over-commit ourselves in a time of budget deficits, the County should follow a fiscally responsible course and select the lowest reasonable number and then monitor and adjust as needed.

Whatcom County will also be hard pressed to create homes "affordable to all economic segments of the community" as required by the GMA. Without other actions by Whatcom County, a larger population just means more people who find it difficult to afford housing. A higher population projection will not improve housing affordability, because it will not alter the structural factors

² These numbers are consistent across the nation, including neighboring Skagit County. American Farmland Trust *Fact Sheet on Cost of Community Services Studies*, August 2007.

that govern affordability, such as external market demands and the cost of materials. Whether or not people feel compelled to seek cheaper housing in unincorporated parts of the county is independent of the total population. Even at the lowest feasible population projection, Whatcom County jurisdictions will be hard pressed to find the resources to meet the GMA housing requirement. Planning for any higher population projection will be overreaching, especially given the lack of adequate progress toward meeting this GMA housing requirement over the last several years.

7. Managing the character and quality of growth does not depend upon adopting a higher population projection

Some people have suggested that adopting a higher population projection will force us to confront the challenges of growth, and therefore will make progress on other important issues possible. While it is true that Whatcom County needs policies and regulations to manage the pace, location and character of future development, we can better achieve these goals under a low-growth projection. We need not shoot ourselves in the foot from the start. We do not need to accept one harmful situation in hopes it will also lead to improvements in other areas. Moreover, a higher projection is likely to create pressures and distractions that will hinder the County's ability to address these other important aspects of development.

8. Slower Population Growth Provides a Better Quality of Life

In considering alternative projections³, members of the County Council should ask whether the average citizen is likely to be better or worse off in 2031 if the local population grows slowly or rapidly. We believe that most people will enjoy a much better quality of life if we plan for slower population growth. Among these benefits are:

- More farmland, forests, and other open space to provide us with food and fiber, wildlife habitat, clean water, and parks for outdoor recreation.
- More affordable living due to lower local taxes.
- Less traffic congestion.
- Better air quality, better water quality (including a cleaner Lake Whatcom), and fewer fights about limited water supplies.
- More compact and attractive cities with convenient access to work, schools, shopping, parks and other amenities.

Planning for slower population growth allows our cities more time to plan for attractive and desirable infill and redevelopment strategies that focus population expansion in existing urban areas. The traditional alternative of continually expanding UGAs and allowing development to occur throughout our rural areas leads to sprawl, which is anathema to citizen preferences and to the GMA. A higher population projection may require the County to resort to UGA expansion, at the cost of time and effort directed at higher-quality forms of development.

9. Population Projections Are Self-Fulfilling Prophecies

³ A January 13, 2009 Memorandum from ICF Jones & Stokes to David Stalheim identifies potential alternatives of 218,981 (OFM low); 234,917 (the current official county projection for 2022); 251,490 (the GMCC recommendation); and 264,400 (OFM midrange).

Developers and builders, their financiers, and landowners know that a high population projection creates the pressure they desire to increase zoning densities and expand UGAs. Both of these government actions provide these interests with regulatory windfalls by greatly increasing the value of the land they own and develop. Once these lands are upzoned and/or included within a UGA, developers will market their properties throughout the country, encouraging greater local population growth than would otherwise occur.

Moreover, once an area has been designated as a UGA, it is difficult to undo for both practical and political reasons. Landowners make commitments and plans, relying upon the promise of future urban development. Going back on this implied promise creates losses that are as unearned as the original windfall. One way to insure greater predictability is to plan modestly and conservatively, and then monitor and adjust as needed.

10. A lower population projection provides a less risky, more flexible course

A 20-year land supply, even one based on the low projection, is more than enough to accommodate population growth for many years into the future. A 20-year land supply, if available in year one, is a 19-year oversupply. In other words, under no circumstances will we actually need a 20-year supply right away. We can adjust upward later. Therefore, it is most prudent to err on the low side, knowing that corrections can easily be made many years ahead of any need for additional land. (As we have seen, our current UGAs are far larger than needed in many cases.)

We can revise our land supply every few years if actual growth differs from what we anticipate. Selecting a lower projection today imposes no meaningful constraints on any jurisdiction in the County. Once enlarged, UGAs imply a promise of future development that is difficult to remove. While legally possible and often wise, reducing UGAs present significant difficulties that can be avoided by planning conservatively. Conversely, revising our projections upward based upon actual growth in the years to come is comparatively easy. Indeed, that is the intended purpose of the mandated 10-year review of UGAs.

Council members

I believe you can't make a mess look like less of a mess by making it more of a mess. The County has allowed a small camper's club to turn into the mess it is today. Now they want us to trust them to know how to fix it. The County hopes to sanctify past flawed decisions by a great grey stroke called a UGA. I say grey because the plan I have read had hopes and dreams but not much in the way of a plan. The plan says there will be future industries and jobs for the area with no plan for what kind or even what area the jobs would be located in. When that does not happen then what? Oops, sorry.

The plan said water and wild life would not be affected with no real plan to insure its safety. If it is damaged, then what? Oops, sorry.

I have attended many of the meetings held to discuss the upcoming changes and have heard the people's desires. They need to be followed. **This is not a growth area**. I have noticed that most people for growth do not live in the east county and have financial reasons for speaking for the UGA.

I have concerns about traffic increases so the County uses the study showing the least impact to the citizens.

I have concerns about population increases destroying the life style that living out there affords me. When I moved into the foothills from the mountains west of Yakima I knew full well where the stores and services were located. People who wish to live in a city have many to choose from. Country is a dwindling resource.

I have seen pictures of the planned town square with planters and paths. It looks like Bellevue. Get up on Sumas Mountain, it is full of plants and trails. We do not need to spend tax dollars to make cute ones.

I attended the January 15th Planning commission meeting and have read the minutes of the January 29th meeting. I have much respect for the intelligent discussion leading to the vote for the LAMIRD and I also vote aye

You on the Council are charged with making a decision. You can show that we indeed have a government of, by and for the people or you can prove we have a government of, by and for politics and the almighty dollar.

I support the LAMIRD

Thank you

Bill Velacich
7644 Kachina Rd.
Maple falls

March 11, 2009

Council Members

My name is Debbie Velacich, I live off the Mt Baker Hwy near Maple Falls. I use to live inside the city limits of Bellingham. I had the conveniences' of stores and shopping when I lived in town. When I could afford it, I moved to Maple Falls because I wanted to live in the country. I wanted to have my own space to do whatever I wanted to do. Whether it be growing a garden or sitting on my porch enjoying a quiet evening. I had a job and I had a vehicle that could take me to and from town. I choose to live out in the country away from the conveniences of town. That was a choice I made.

Where I live, I have the wildlife all around me, we have eagles, falcons, raccoons, and possum. There are wild ducks & coyotes that come every year to raise their young. In the summer, you can hear the coyotes calling from across the fields to their young. There are cougar and bear up on ridge. There is the migration of the frogs, their mating calls fill the evening with a resonance song.

I am concerned with the plans that have been brought before the council. I am concerned that my way of life will be changed because someone else feels they need to change the area to accommodate people who do not live here or for those that can not afford to live in Bellingham.

I am concerned that my property will be affected, the way I spend my time at my home will be affected. I am concerned for the wildlife that surrounds' my home and valley.

I am also concerned about the traffic. Mt Baker Hwy is a two lane by-way, a scenic route to Mt Baker. At different times of year, the hwy is congested with traffic, accidents are a common accordance. There seems to be no available information regarding what will happen when 700 more single family homes are put in out here. WSDOT has no plans on addressing these concerns. I have asked this many times at the meetings that has been held out here at Kendall. Dave Stalheim still has not addressed this concern.

I am concerned about the air quality out here if so many homes are built in a area that is like a valley. During the winter, one can see and smell the thick smoke from wood fires. Will the city then regulate what we use to heat our homes...

I moved here because I love this area, I love the clear nights, the wildlife and the quiet of the country. I urge you to look at the proposed plan, as a resident of Maple Falls, I would like my home to stay the way it is. I do not want to see this area as a UGA.

Respectfully,



Debbie Velacich
7644 Kachina RD
Maple Falls WA
360 599 1519