

## Technical Memorandum

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**Date:** September 24, 2009

**To:** Jan Ollivier, Project Manager, Kittitas County

**From:** Lisa Grueter, AICP, Senior Planner

**cc:** Jennifer Barnes, ICF Jones & Stokes; Lisa Parks, Alliance Consulting Group, Inc.;  
Fred Huber, Mayor, City of Kittitas

**Subject:** City of Kittitas Land Capacity Analysis Evaluation

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## Executive Summary

The purpose of this memo is to evaluate the City of Kittitas (City) Land Capacity Analysis on behalf of Kittitas County (County) in response to the Eastern Washington Growth Management Hearings Board (Board) orders that invalidated a proposed City of Kittitas Urban Growth Area (UGA) expansion that would principally add territory for commercial and industrial purposes. In its Final Decision and Order on August 20, 2007 (case 07-1-004c), the Board indicated that the County was obligated to make its own independent evaluation of the City UGA land capacity, and determine whether or not there was a need to expand the UGA based upon that evaluation. The Board indicated concern with the City's land capacity analysis being accepted by Kittitas County, the need for additional information on economic development, and the potential agricultural land conversion. Results of our analysis prepared on behalf of the County are summarized below.

## Residential

The City's capacity for residential development appears greater than the capacity needed to support the population allocated by the Kittitas County Conference of Governments (KCCOG). The KCCOG allocation would result in the need for land capable of supporting about 180 homes. Our analysis of residential land capacity shows a range of 298-448 homes similar to the City's expected subdivision homes projection of 357-379. Thus, our land capacity results and the City's own projections exceed the amount of land needed to support the KCCOG allocation.

Options to address the balance of residential land supply with population allocations include:

- Continue with current UGA boundaries and reallocate population to the Kittitas UGA through an amendment to the KCCOG population allocations; or
- Reduce UGA boundaries, change the land use mix and reallocate less population than above.

## Employment

Through our research, we have identified and documented the following issues that indicate a need for additional jobs in Kittitas:

- Various local government, business, and education stakeholders have emphasized the need to retain and grow local businesses and recruit new ones to Kittitas County;
- Kittitas County experiences significant retail leakage. Retail leakage occurs when citizens of Kittitas County spend money at retailers located outside of the county such as by traveling to Yakima or Seattle to make purchases;
- The City's unemployment rate is higher than the County as a whole;
- The City's jobs-housing balance is much lower than the County as a whole;
- The City's assessed value per capita is lower than other cities in the County; and
- The City lacks large parcel sizes for large format retail or manufacturing businesses.

The County has discussed with the City the following questions.

- **Jobs-Housing Balance:** What is the City's vision of the balance between jobs and housing? For example, it could be to match the countywide jobs-housing balance, which is nearly at 1.0, or it could be to have a greater number of jobs than housing due to a local vision to be a County employment center as other communities have envisioned for themselves.
- **Tax Base and Ability to Provide Services:** Does the City have additional budgetary or other information that it feels would support its vision and goals? Does the City have a sense of the commercial and industrial land needed to ensure the City is viable and can provide the levels of services it has planned for its citizens? The City's Comprehensive Plan vision indicates a need to expand the city's tax base. It says in part: "...a Community that strives to improve and increase the tax base to provide a high level of service to its residents, and to improve and increase employment opportunities by encouraging new businesses to join the community." Data show the City's per capita assessed value is lower than other cities in the county.
- **Priority Areas:** Within the area that is planned for employment, are there higher and lower priority areas for development in the next 20 years? The amount of land needed could be based on jobs-housing balance, tax base needs, and need for large parcel sizes to attract large format commercial and industrial uses.

- **Rational for Employment:** Does the information provided in this memo adequately capture the City’s rationale for the need for additional employment land? Is there some other piece of information or local knowledge that should be added?

Kittitas County and ICF Jones & Stokes presented the information and options regarding residential and employment lands to the Kittitas City Council at their meeting of September 8, 2009. The City Council discussed the following points:

- **Jobs-Housing Balance:** The City Council indicated an intent for the City to be “job rich”. The City Council discussed that they are comfortable with any of the proposed approaches to calculate future jobs.
- **Tax Base:** The City may have some sales tax history and anecdotal business loss information to add to the discussion.
- **Priority Areas:** The rectangular parcel – i.e. the area close to the freeway – is most important.
- **Rationale for Employment:** City Council members generally indicated the employment rationale outline was appropriate. They are concerned about out-commuting as noted in their Comprehensive Plan. They believed the rationale would benefit from adding information about the number of owner-occupied versus rental housing.

Based on the questions and City input, we have identified two options to take forward to the County Planning Commission and County Board of Commissioners regarding employment areas in the UGA:

- Full UGA expansion proposal with industrial and mixed commercial/industrial uses
- Partial UGA expansion proposal focusing on including the area to the east of the wastewater treatment facilities closest to I-90.

## Next Steps

County staff and ICF Jones & Stokes staff attended the City Council meeting on September 8, 2009 to review information and options. The City Council generally indicated the range of options offered by the County were appropriate, but intended to have further discussion before determining whether to provide additional direction on a preferred option. On September 22, 2009, the City adopted a resolution affirming the independent analysis presented in this memorandum, and indicating that the reduction of the proposed UGA boundaries to exclude the residential area east of Road 81, and re-designating the area adjacent to the John Wayne Trail from residential to commercial, appears to be most consistent with the City Comprehensive Plan.

Confirmation of the City’s input by October 5, 2009 would allow the County to consider it prior to the formal Planning Commission and Board of County Commissioner’s consideration and public hearings scheduled for October 13, 2009.

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## 1. Purpose and Scope

The purpose of this memo is to evaluate the City Land Capacity Analysis on behalf of the County in response to the Board orders that invalidated a proposed UGA expansion that would add territory for commercial and industrial purposes. The County relied on City-generated land capacity analysis that primarily focused on residential land capacity, and that addressed employment capacity in less detail.

In its Final Decision and Order on August 20, 2007 (case 07-1-004c), the Board indicated that the County was obligated to make its own independent evaluation of the City UGA land capacity, and determine whether or not there was a need to expand the UGA based upon that evaluation. Later, in the First Compliance Order dated August 7, 2008, the Board found that the UGA expansion was not supported by the residential capacity analysis; and while the proposed expansion focused on commercial/industrial lands, the analysis did not provide sufficient information to demonstrate a need for commercial and industrial lands. Most recently, in the Second Compliance Order dated February 4, 2009, the Board restated its concerns with the land capacity analysis and, in particular, with various assumptions regarding market factors and agricultural land conversion factors. The Board indicated that the combination of deductions and factors may be underestimating land supply. Appendix A contains excerpts of these decisions.

This memo provides a review of available data, guidelines and case studies, and an evaluation of the City Comprehensive Plan land capacity analysis. This memo follows initial data review and a meeting with the City in July 2009. After a review of options and key issues by the County and City, the consultant team revised the memo and assumptions and prepared a revised land capacity analysis described in this memo. The questions and options in this memo were shared with the

City Council on September 8, 2009. The City is requested to provide a motion, letter, or resolution confirming its employment rationale.

There are two other issues that are being addressed separately from this memo.

- First, the County is evaluating capital facility plans for the City UGA. Based on the Board decision, the County will need to show that current and/or planned facilities are in place to serve the UGA.
- Second, agricultural resource land designation (and de-designation) criteria applicable countywide are under revision by Neil Caulkins, Deputy Prosecutor, Kittitas County. The status of agricultural land in the Kittitas UGA expansion request was raised as an issue in the case before the Board. However, we do not believe it is applicable in this case. The UGA expansion area under review is designated as Rural in the County Comprehensive Plan with Ag-20 and other zoning. The sites do not appear to be designated as resource lands of long-term commercial significance, as described later in this memo.

## 2. Study Area

For the purposes of this land capacity analysis, the proposed City UGA boundaries and proposed land uses presented in the City's Comprehensive Plan were used. Figures 1 and 2 identify current land uses and planned land uses. Hatched areas on Figure 1 were considered in the land capacity analysis review.

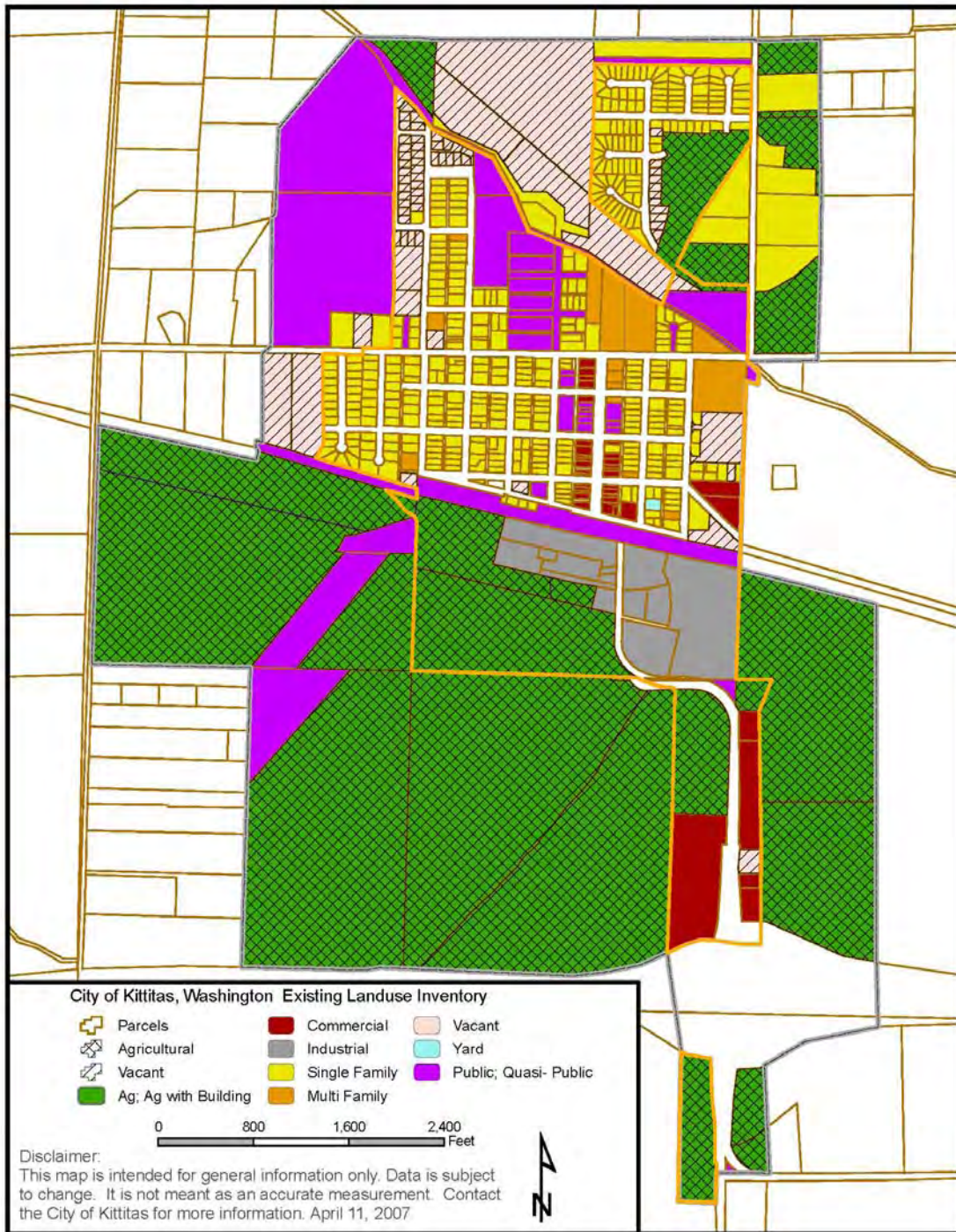


Figure 1. Existing Land Use Inventory

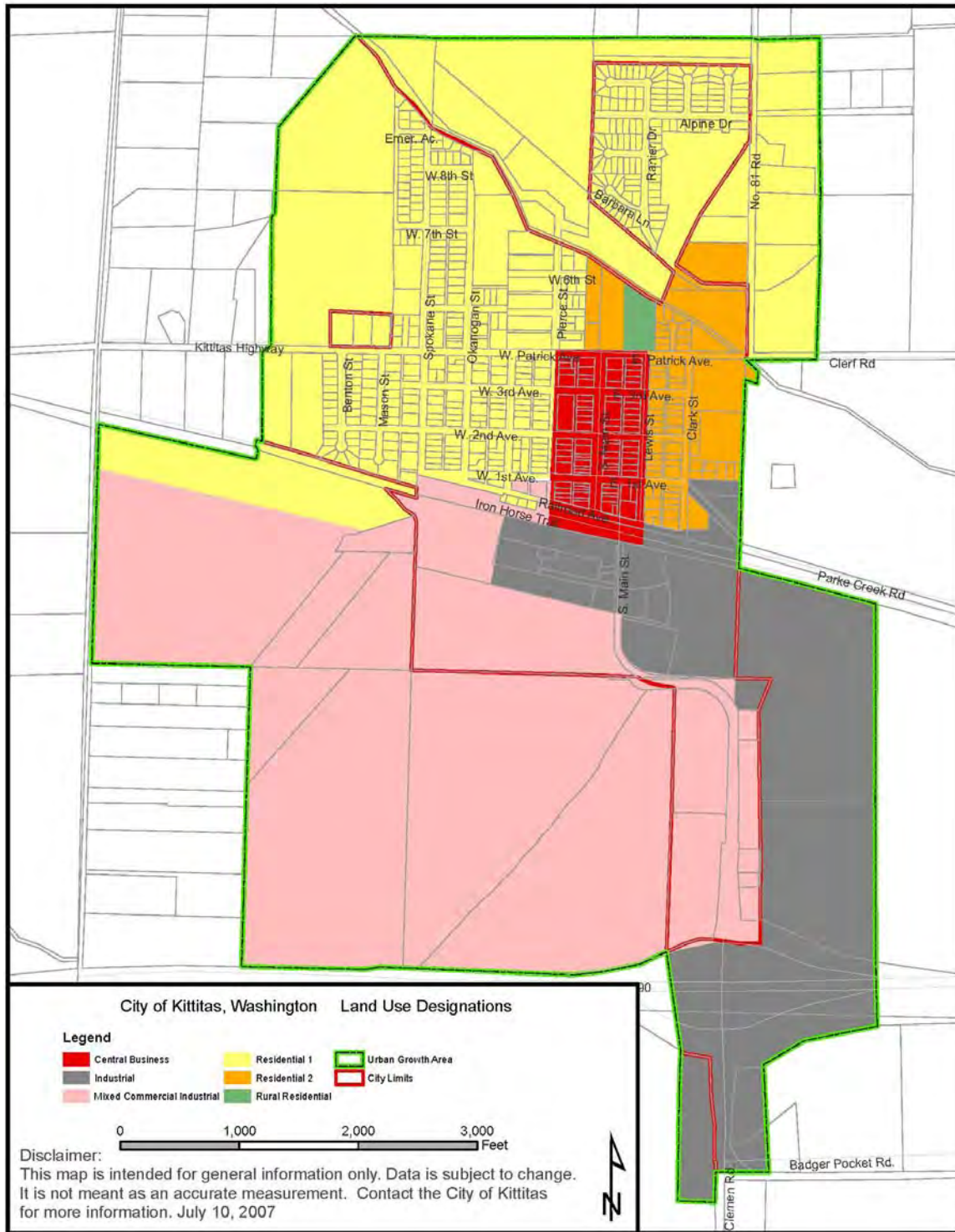


Figure 2. City of Kittitas Land Use Designations

### 3. Background and Key Issues

The County has designated a UGA in its 2006 Comprehensive Plan Land Use Map with the following designations on unincorporated lands: Low Density Residential-Kittitas, Industrial (Kittitas), and Rural. Figure 3 shows the County’s 2006 Comprehensive Plan map for Kittitas UGA and vicinity.

Research completed for this assessment uncovered three different sets of zoning information for the unincorporated portions of the study area.<sup>1</sup>

- As of 2005, implementing zoning in unincorporated areas was Suburban and Suburban 2, and Ag-20. Figure 4a shows the County’s 2005 Zoning Map.
- Based on the County’s online information, the Mapsifter 7.0 shows the following designations on unincorporated land in the UGA: Urban Residential and Ag-20. Figure 4b shows Mapsifter zoning information.
- Kittitas County GIS layers provided to the consultant team show an additional district, Rural Residential on the south and smaller Urban Residential boundaries (less extensive on the south near the wastewater treatment property) and correspondingly greater Ag-20.

The correct zoning information needs to be confirmed by the County.

Two property owners – Kevin Gibbs, 101 acres, and Ronald and Douglas Gibbs, 188.22 acres – requested a UGA expansion that was supported by the City. The properties are located between the City’s southern boundary and I-90, and are a part of the study area in Figures 1 and 2. The properties are designated Rural in the Comprehensive Plan (2006), and at the time of application in 2006 were zoned Ag-20 and Suburban 2. They requested new classifications of UGA/Suburban and UGA/General Commercial, respectively. Neither property is designated in the Kittitas County Comprehensive Plan as Commercial Agriculture (i.e. resource lands of long-term commercial significance). These properties are included in the City of Kittitas UGA expansion request under consideration now.

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<sup>1</sup> The purpose statements for the various zones per the County Zoning Code are:

**Suburban, Suburban 2, and Urban Residential** are zone titles not represented in the 2007 Zoning Code. It appears they may have been renamed Residential and Residential 2 and Urban Residential, which have similar purpose statements: The purpose and intent of the residential zone is to provide for and protect areas for homesite development designed to meet contemporary building and living standards where public water and sewer systems are provided.

**Rural Residential:** The purpose and intent of the Rural Residential zone is to provide for and protect low density semi-rural residential development chiefly in outlying transitional areas where a mixture of residential and traditionally rural land uses will be compatible.

**Ag-20:** The agricultural (A-20) zone is an area wherein farming, ranching and rural life styles are dominant characteristics. The intent of this zoning classification is to preserve fertile farmland from encroachment by nonagricultural land uses; and protect the rights and traditions of those engaged in agriculture.

As noted earlier in this memo, the Board indicated concern with the City's land capacity analysis being accepted by Kittitas County, the need for additional information on economic development, and the potential agricultural land conversion. To address the Boards' concerns, the following elements should be considered:

- Aggressive versus conservative land capacity assumptions;
- Historic versus projected plat development;
- Job forecasts, desired employment sectors, and land area needed to meet forecast;
- Relationship of proposed growth and land use plans to capital facilities planning; and
- Relationship of UGA expansion requests to agricultural lands designations and zoning.

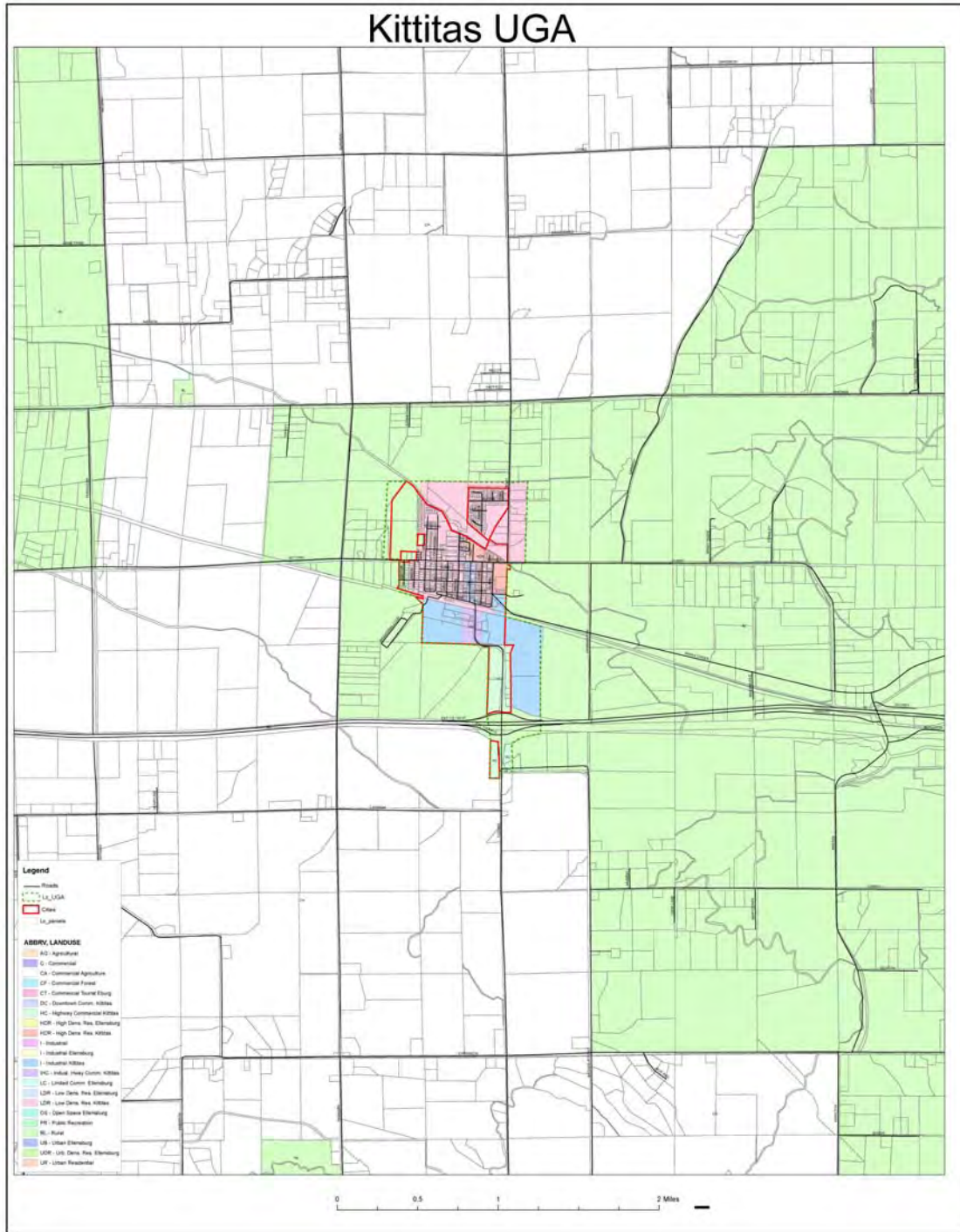


Figure 3. Kittitas County Comprehensive Plan Land Use Designations 2006

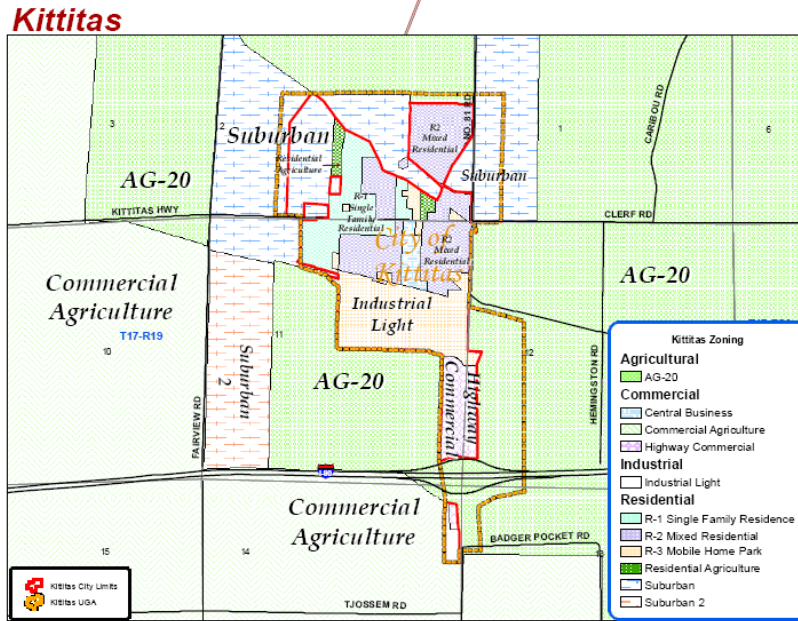


Figure 4a. Kittitas County Zoning Classifications 2005

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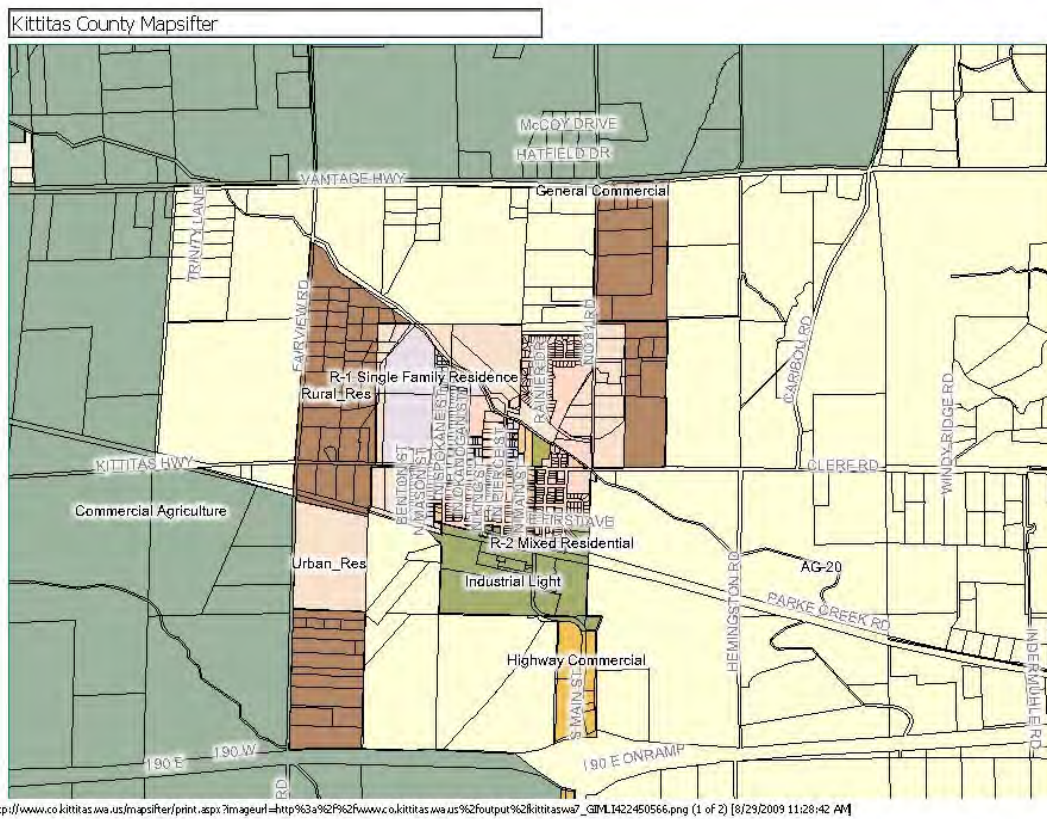


Figure 4b. Mapsifter 7.0 Zoning Information

## 4. Method

### Key Steps

To prepare an independent evaluation of the City UGA land capacity, and to determine whether or not there is a need to expand the UGA based upon that evaluation, we completed the following steps:

- Collected population and economic information from state and local sources
- Reviewed state and local laws and guidelines for land capacity analyses
- Reviewed available utilities in the UGA
- Considered the status of the UGA in terms of agricultural designations

### Available Data

The following information was used in developing our review and analysis of the City UGA:

- City of Kittitas Comprehensive Plan
- Alliance Consulting Group, Inc. GIS data
- Kittitas County GIS data
- Federal GIS data including FEMA floodplain and National Wetland Inventory data
- Economic Development Group of Kittitas County Demographics Data Book, undated, data available through 2006
- Washington State Employment Security Department, Kittitas County Labor Area Summary, May 2009
- Local Area Unemployment Statistics estimated by the Washington State Employment Security Department, personal communication, Dale Smith, July 1, 2009
- Kittitas County Regional Retail Market Analysis, Property Counselors, April 2005
- A 2005 market analysis for Ellensburg prepared by ECONorthwest
- A Kitsap County Almanac prepared in 2008 by The Daily Record.
- City of Kittitas Employment Estimate, Robin Newcomb City Clerk/Treasurer; transmitted via Alliance Consulting Group, July 21, 2009

- Economic Development Strategic Plan. Release 1.0. Kittitas County Economic Development Group. July 2009. Issued August 20, 2009. Prepared by T.I.P Strategies.

In addition, we met with Lisa Parks of Alliance Consulting Group, Inc. to review the land capacity analysis contained in the City of Kittitas Comprehensive Plan. We also consulted with the City’s engineering consultant, Gray and Osborne.

## 5. Population and Employment Estimates and Forecasts

This section presents population and employment data from state and local agencies.

### Population

This section describes current and projected population figures for the City and the County.

The State of Washington Office of Financial Management (OFM) prepares annual population estimates. Table 1 summarizes the OFM population estimate from 2000 to 2009. The table shows that in 2005, the base year of County and City Comprehensive Plans, OFM estimated the countywide population to be 36,600, with just over 40% of the population located in unincorporated territory. Current population (as of April 2009) equals 39,900 with 45% of the population in unincorporated territory. OFM estimated that the City of Kittitas had a population of 1,135 in 2005, which has grown to 1,150 as of 2009.

**Table 1. County and City OFM Population Estimates: 2000-2009**

Area	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Kittitas County	33,362	34,000	34,800	35,200	35,800	36,600	37,400	38,300	39,400	39,900
Unincorporated County	13,614	14,120	14,520	14,785	14,910	15,375	15,780	16,510	17,465	18,060
City of Kittitas	1,105	1,105	1,100	1,120	1,130	1,135	1,135	1,135	1,145	1,150

Source: State of Washington Office of Financial Management, April 1 Intercensal Population Estimates for the state, counties, and cities and towns for 1968 to 2000 and Postcensal Population Estimates for 2000 through 2009, State of Washington 1/

In addition to preparing population estimates, OFM develops projections of future population growth in accordance with the Washington State Growth Management Act (GMA). OFM prepared growth projection ranges in 2002 and again in 2007. At the time the KCCOG allocated growth for County and city Comprehensive Plan updates, the 2002 projections were available and were the basis for the County and city growth allocations to a horizon year of 2025. Table 2 presents the 2002 data.

**Table 2. OFM Population Projections for Kittitas County – Year 2002**

	2000	2005	2010	2015	2020	2025	2030
Low	33,362	32,341	33,619	35,013	35,927	36,629	n/a
Medium	33,362	34,314	36,742	39,451	41,776	43,999	n/a
High	33,362	36,759	40,545	44,806	48,794	52,810	n/a

Source: State of Washington Office of Financial Management, Washington State County Growth Management Population Projections, 2002

For the 2025 projection of County population, KCCOG selected the 2002 OFM high projection 52,810 from a 2005 base of 36,759 persons.<sup>2</sup> The KCCOG allocated 1,584 (3%) of the total projected future county 2025 population to the City and its UGA (KCCOG April 26, 2006). This reflects a projected increase of 449 persons by 2025.

## Employment

This section documents various indicators of a need for additional jobs in the City.

### *City and County Data*

#### Current Employment

While the KCCOG allocates population, it does not allocate employment. The current State of Washington Employment Security Department (ESD) employment estimates for the County are 15,790 non-farm jobs (as of May 2008). The current employment in the City was estimated by the City Clerk/Treasurer at 180 including school employment.

#### Jobs-Housing Balance

Jobs/housing balance is a measure of the degree of equilibrium between employment and dwelling units in a specific area. It is typically calculated based on the number of jobs in a community divided by the number of housing units in that community. A low jobs/housing ratio indicates a housing-rich “bedroom community”, while a high jobs/housing ratio indicates an employment center.

Table 3 summarizes the jobs-housing balance for the City and for the County. The Table shows that the County’s jobs-housing balance is approximately 0.96 while the City’s is approximately 0.38, indicating the City’s jobs-housing balance is much lower than for Kittitas County as a whole.

<sup>2</sup> Note, this 2002 projection falls within the range of medium and high 2007 OFM projections for the year 2025 which equal 46,970 to 56,376 persons respectively.

**Table 3. Jobs-Housing Balance: Kittitas County and City**

Location	Population	Jobs: Non farm	Housing	Occupied Housing: Estimate	Jobs-Occupied Housing Ratio	Jobs-Population Ratio
Kittitas County	39,900	15,550	20,010	16,254	0.96	0.39
City of Kittitas	1,150	180	539	468	0.38	0.16

Source: State Office of Financial Management, Population and Dwelling Units, April 1, 2009; US Census 2000, Housing Occupancy Rate

Note: To determine Occupied Housing, the US Census 2000 Housing Vacancy Rate was applied to April 1, 2009 Dwellings estimated by the State Office of Financial Management.

### Unemployment

Similar to the year 2000, the City is estimated in 2008 to have a higher unemployment rate than the County as a whole: 13.9% versus 5.8%, as shown in Table 4.

**Table 4. Local Area Unemployment Statistics: Kittitas County and City**

	County			City		
	2000	Avg 2008		2000	Census Ratio	Avg 2008
Employment	15,509	19,900		447	0.028822	574
Unemployment	1556	1,230		72	0.046272	57
Labor Force	17065	21130		519		631
Unemployment Rate (%)	9.1	5.8		13.9		9

Source: Pers com, Dale Smith, Washington State ESD, July 1, 2009

Notes:

The census-share (cities 25,000 and higher in population use population claims starting 2005) method of disaggregation utilizes the ratios of employment and unemployment in a subarea to the respective total for the larger area according to the 2000 census. These ratios are applied to the current total employment and unemployment estimates for the larger area. This procedure is based on the assumption that the current geographic distribution of employment (or unemployment) is the same as that in the decennial census, or, equivalently, that employment (unemployment) in the subarea has changed by the same proportion since the census as that in the larger area. The current web site for collecting census labor force data is:

[http://factfinder.census.gov/servlet/SAFFPeople?\\_event=Search&geo\\_id=01000US&\\_geoContext=01000US&\\_street=&\\_county=&\\_cityTown=&\\_state=04000US53&\\_zip=&\\_lang=en&\\_sse=on&ActiveGeoDiv=geoSelect&\\_useEV=&pctxt=fph&pgsl=010&\\_submenuId=people\\_6&ds\\_name=null&\\_ci\\_nbr=null&qr\\_name=null&reg=null%3Anull&\\_keyword=&\\_industry=](http://factfinder.census.gov/servlet/SAFFPeople?_event=Search&geo_id=01000US&_geoContext=01000US&_street=&_county=&_cityTown=&_state=04000US53&_zip=&_lang=en&_sse=on&ActiveGeoDiv=geoSelect&_useEV=&pctxt=fph&pgsl=010&_submenuId=people_6&ds_name=null&_ci_nbr=null&qr_name=null&reg=null%3Anull&_keyword=&_industry=)

Current county estimates are at: [http://www.workforceexplorer.com/admin/uploadedPublications/1886\\_la\\_us\\_historical.xls](http://www.workforceexplorer.com/admin/uploadedPublications/1886_la_us_historical.xls).

### Tax Base

In 2005, the Legislature created the City-County Assistance Account (CCAA) allocating a portion of state Real Estate Excise Tax revenues. The program provides funds to jurisdictions with low per capita sales tax revenues relative to the state average. The City of Kittitas is receiving funds from this account. Based on information collected for the program by the State Department of Revenue, the City’s assessed value per capita is lower than other cities in the County. See Table 5.

Table 5. Per Capita Assessed Value: Local Cities

City	2008 Population	2008 Basic 0.5% Local Tax Distribution	Sales Tax Per Capita	2007 Assessed Valuation for taxes due in 2008	2007 Per Cap Property Assessed Value
Cle Elum	1,865	514,442.12	275.84	195,761,658	104,966
Ellensburg	17,330	1,735,292.35	100.13	1,194,400,244	68,921
Kittitas	1,145	59,734.86	52.17	43,836,782	38,285
Roslyn	1,015	79,328.64	78.16	83,763,139	82,525
South Cle Elum	580	7,925.58	13.66	36,874,834	63,577

Source: State Department of Revenue, <http://dor.wa.gov/Content/DoingBusiness/6050Distributions.aspx>, August 3, 2009

### *Studies and Publications*

Economic studies and publications have indicated that large format retail and industrial businesses are opportunities in Kittitas County that require greater planning and “ready to go” sites:

- Kittitas County experiences significant retail leakage with gross retail sales falling short of estimated resident spending by \$81 million in 2003. The sectors with the largest leakage are auto sales/gas stations, miscellaneous retail, apparel/accessories, and furniture/ furnishings. A regional retail center in Kittitas County could capture a significant share of this potential demand. An anchor general merchandise store could capture general merchandise demand as well as demand in the apparel, furniture, and miscellaneous retail sectors. A building materials store could capture sales to construction contractors that are currently lost to other areas. Apparel, furniture, and miscellaneous specialty retailers would be attracted to the presence of the anchor stores. Business services such as copy centers and shipping services would also be attracted to such a center. (Property Counselors 2005)
- Various economic development groups in the county, chambers of commerce, city and county government officials, Central Washington University representatives, real estate and development firms and individual businesses have put a strong emphasis on the need to retain and grow local businesses and recruit new ones to the area, including manufacturing and light industrial firms Jim Armstrong, member of the Economic Development Group of Kittitas County, believes smaller, highly technical manufacturing firms could be on the county’s economic horizon. (The Daily Record 2008)
- The above results are supported by the recent Kittitas County Economic Development Group Economic Development Strategic Plan. The report indicates Kittitas County industry employment lacks substantial numbers of well-paying, private sector jobs. The only retail sectors where Kittitas leads the national average are gasoline stations and restaurants and bars. The number of employed residents in the county has grown faster than the job base, and affects commuting patterns. Economic Development Group’s strategic plan identifies priority

employment sectors including on the resource side – renewable energy, agricultural and natural resources – and on the service and manufacturing side – professional services, light industrial and transportation and logistics (warehousing and distribution). (T.I.P Strategies, 2009)

Additionally, the Economic Development Group Executive Director, Ron Cridlebaugh indicated (Appendix D):

- Regarding Kittitas County, in the three studies of retail leakage prepared for properties in Ellensburg the leakage is estimated at between \$81 and \$330 million a year.
- There is a deficit in the County of acres for large format commercial; however there is adequate space for retail.
- There is a deficit of acres in the County for industrial and manufacturing.
- Given the proper amount and location (between the city and interstate) of available land the city could be positioned for good growth in all (industrial/manufacturing) sectors.

## Growth Estimates – City of Kittitas

The City estimated a range of population growth levels between 2005 and 2027 in its Comprehensive Plan, shown in Table 6. The year 2005 was the base year for the City Comprehensive Plan and the KCCOG growth projections. The year 2025 represents the horizon year of the KCCOG growth allocations, and the year 2027 represents the long-range planning horizon of the City Comprehensive Plan. To meet the growth allocation 180 homes would be needed accommodate 449 additional persons. This allocation can be compared to estimates of dwelling capacity. The City presented three estimates of dwelling capacity in its plan:

- A land capacity analysis showing the potential for 168 additional dwelling units.
- In contrast to the land capacity analysis, the number of lots recently approved in plats equaling 244.
- A more likely growth estimate in the City and UGA based on subdivision potential including approved plats plus additional future plats and multifamily development equaling 357 to 379 depending on a horizon year of 2025 or 2027.

**Table 6. City of Kittitas Land Capacity and Development Projections**

	Dwellings <sup>1</sup>	Population
2005	521	1,135
KCCOG 2025 Allocation	Not allocated 180	449
<b>City of Kittitas Comprehensive Plan</b>		
Projected Growth: Land Capacity	168	417
Projected Growth: Recent Approved Plats	244	608
Projected Growth: Subdivision Population 2025	357	910
Projected Growth: Subdivision Population 2027	379	964

<sup>1</sup> For allocated growth the number of dwelling units is estimated based on a 2.49 household size. For projected growth, the number of dwelling units is estimated and the population is derived from a 2.49 household size.

Source: City of Kittitas, July 2007; ICF Jones & Stokes

The City’s Comprehensive Plan did not project employment growth, but did identify creation of local jobs as a goal in its plan to help reduce commute times, improve its tax base, and increase employment opportunities.

The County Comprehensive Plan likewise does not make employment projections for the county as a whole, but does plan for economic uses and does include economic development goals.

As part of the 1.49 million acres of unincorporated land, Kittitas County Comprehensive Plan identifies the following zoned acres for commercial and industrial uses:

- Limited Commercial 21.3 acres
- Highway Commercial 129.4 acres
- General Commercial 399.9 acres
- Light Industrial 347.9 acres
- General Industrial 833.2 acres

Some of the acres listed above are developed, and some may be vacant.

Some County employment goals include: business retention, new business attraction, economic diversity including industries, research and education, and others. A jobs-housing balance is encouraged (Kittitas County 2006).

## 6. Land Capacity Guidelines and Case Studies

This section provides an overview of state laws, Board cases, and state agency guidance on land capacity studies.

## Growth Management Act

The GMA gives broad guidance on UGA sizing and boundaries that influence land capacity analyses. The most notable provisions are summarized as follows:

- UGAs are to include areas characterized by urban growth, or territory adjacent to lands characterized by urban growth.
- Area included is to be sufficient to meet 20-year growth projections. As part of ensuring area is sufficient to meet growth projections, each city within the county must include areas sufficient to accommodate the broad range of needs and uses that will accompany the projected urban growth including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses. (recently added with SHB-1825, effective 07/26/09)
- UGAs are required to permit urban densities, but may also include greenbelt and open space areas.
- Market factors are allowed: “An urban growth area determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses. In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.”
- Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas.

Appendix B provides the relevant text of RCW 36.70A.110, 115, and 130, summarized above.

## State of Washington Department of Community, Trade, and Economic Development (CTED) Guidelines<sup>3</sup>

CTED prepared a guide to designating UGAs in 1992, “Issues in Designating Urban Growth Areas, Part I: Providing Adequate Urban Area Land Supply.” The report suggests defining vacant, underutilized (land that could be more intensively used such as a single family home on a multifamily lot), and partially used land (land that can be further subdivided), and deducting the following areas from that acreage:

- unbuildable areas (e.g. due to critical areas),

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<sup>3</sup> CTED is now known as the Department of Commerce as of July 26, 2009.

- lands for public purposes, and
- land unlikely to be available due to property owners that do not intend to sell or develop the land.

The guidebook reviews a range of studies regarding market factors to ensure that land is not over or undersupplied. It indicates that communities could either continuously monitor land supply, or if not monitoring land on a frequent basis, considering a market factor generally not more than 25%.<sup>4</sup>

Though the Buildable Lands Program applies only to six counties (Clark, King, Kitsap, Pierce, Snohomish, and Spokane), CTED guidance includes similar procedures to estimate vacant, partially-used, and under-utilized land, with discounts for lands required for public purposes, development requirements (e.g. stormwater, parks) or infrastructure, land unavailable, and critical areas. (CTED, June 2000)

## Growth Management Hearings Board Cases

The Eastern Washington Growth Management Hearings Board, as well as the Western and Central Washington Boards, have previously reviewed cases similar to the Kittitas County-City of Kittitas case. In general, the decisions in these cases indicate the following:

- **Land Capacity Analysis:** Counties are to perform independent analyses of land capacity and appropriate UGA boundaries even where cities or private applicants provide such information.
- **Market Factors:** There has been more scrutiny of market factors above 25% (see Eastern and Central Board cases). There appears to be more discretion to have higher market factors for industrial development than for residential development in UGAs where the need is well documented (addressed in Central and Western Boards). More recently the Washington State Supreme Court ruled that Counties have broad discretion to set a market factor; there is no bright line, but the market factor must be “reasonable”.<sup>5</sup>

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<sup>4</sup> Most communities do not have actual data from property owners from which to base a market factor of lands unlikely to be available. One exception is Snohomish County. In 2005, the County funded a study based on a random sample of Snohomish County property owners regarding their intent to develop or redevelop their property within the Urban Growth Area (UGA) over time. About 21% of all respondents indicated that they would be unlikely or very unlikely to have their parcels developed in the next 20 years. (The Gilmore Research Group, June 2005, on behalf of Snohomish County)

<sup>5</sup> In *Thurston County v. W. Wash. Growth Mgmt. Hearings Bd.*, No. 80115-1, the Washington State Supreme Court found “Thus, although the GMA does not explicitly limit the size of a UGA, to give meaning to the market supply factor provision and in light of the GMA goal of reducing sprawl, we hold a county’s UGA designation cannot exceed the amount of land necessary to accommodate the urban growth projected by OFM, plus a reasonable land market supply factor.” The ruling goes on to say “No bright-line rule regarding the reasonableness of a land market supply factor may be used by the GMHBs. *Viking Props.*, 155 Wn.2d at 129. Depending on local circumstances, 15 percent may be reasonable in one county, while 40 percent may be reasonable in another. A GMHB may not reject a UGA simply because the land market supply factor used is greater than 25 percent nor may they subject higher percentages to greater scrutiny. Instead, in determining whether a market supply factor is reasonable, a board must recognize counties have great discretion in making choices about accommodating growth and the land market supply factor may be based on local circumstances. RCW 36.70A.110(2). A board shall not find a county’s use of a land market supply factor unreasonable unless it is shown to be clearly erroneous in light of the entire record.”

- **Combination of Assumptions:** If all assumptions are on the high end, e.g. high population forecast, low densities, high market factors, there is more scrutiny by the Boards. An example is the Grant County case including the City of Ephrata UGA. However, if there are some conservative assumptions mixed with more liberal assumptions based on a local review, the Boards may be amenable if well documented. An example of this later case is Walla Walla County which assumed a low density of 3 units per acre, but no market factor when designating agricultural land and placing it in a UGA.

The relevant text from these cases is provided in Appendix C.

## Kittitas County Countywide Planning Policies (CPPs)

Countywide Planning Policies address UGA designation and amendment focusing on population projections and available services.

### 1. Designation Criteria

- **Policy A:** The County, in cooperation with the Cities, will designate Urban Growth Areas (UGAs). The designation of UGAs beyond the existing limits of incorporation will be based on a demonstration by the cities that municipal utilities and public services either already exist, or are planned for and can be effectively and economically provided by either public or private sources.
- **Policy B:** UGAs will be determined by projections of population growth in both rural and urban areas of the County. These projections shall be reached through negotiation at the Kittitas County Conference of Governments (KCCOG), taking into account current growth rates and the Office of Financial Management (OFM) projections. The subdivision, rezone, capital improvements, and governmental service decisions of all County governmental jurisdictions should be directed by their projected share of growth and should be in proportion to that projected share of growth ... These projections will be reviewed on an annual basis on or about July 1 each year. ...

### 7. Amendment Process and Procedure

- **Policy A:** Amendments or changes to the UGA designation may only be proposed once a year and must be reviewed by the KCCOG every five years. Amendments may only be proposed by a City or the County. ...
- **Policy B:** Amendments to the UGA shall be mutually agreed upon between the City and the County. The KCCOG may review and make recommendations regarding the amendment as deemed appropriate. ...
- **Policy C:** Any amendment to a UGA shall only be approved once the City or County has demonstrated that the UGA designation criteria (issue #1) has been met. ...

The Countywide Planning Policies Appendix 3 indicates the KCCOG prepares population projections and is advisory to its members. Kittitas County has legislative authority regarding the

Countywide Planning Policies and amending UGA boundaries, though the KCCOG provides advice and recommendations.

## 7. UGA Expansion Location and Services

The UGA expansion sites are contiguous to the City of Kittitas city limits to the north and east. The predominant parcel size is larger than properties in the City limits; large parcels may help to advance some City economic development and tax base strategies.

Due to location and shape of these sites adjacent to I-90, and due to nearby services, there has been developer interest in the subject properties. The properties would support economic growth in the City and the broader region.

Public services appear to be available. There is a water line that extends to the freeway interchange which would require looping at the time of development through developer improvements. The City has a water system plan that it is implementing. The properties lie adjacent to City wastewater treatment facilities. Previous plans for the property prepared by MDJ identified a preliminary layout for a lift station and force main, also a future developer improvement. The City has ample wastewater treatment capacity. (pers com, Jeff Stevens, Gray & Osborne, August 3, 2009)

## 8. Agriculture Designations

The lands proposed for addition to the Kittitas UGA are *not* designated Commercial Agriculture, but are designated Rural in the Comprehensive Plan. However, Ag-20 zoning was retained for portions of the area.

As part of its first Comprehensive Plan in the mid-1990s, Kittitas County developed a classification of resource lands of long-term commercial significance based on the following criteria contained in the Land Use Element:

- The current zoning and parcel sizes of the area.
- The availability of an adequate and dependable water supply.
- The soil types (prime, unique, local, and statewide) of the area.
- The criteria contained under WAC 365-190-050.

Upon review of these considerations, Kittitas County determined that there were two different categories of land appropriate for designation: irrigated croplands and non-irrigated grazing lands. Irrigated croplands identified for designation were lands located within the Agricultural 20 zone, within an irrigation district, consisting primarily of prime or unique

soils, and complied with the other criteria under the GMA. Non-irrigated grazing lands were lands that lacked adequate water for crop growing purposes, but have a capacity for and historic use for grazing, and are lands that are predominately a section of land in size with contiguous blocks of ownership of those lots.

Kittitas County was able to identify large, contiguous areas containing parcels, which met the review criteria. Kittitas County then reviewed the areas, which were consistent with the review criteria, taking into consideration topography and natural designation boundaries. The lands designated as agricultural lands of long-term commercial significance depict the final review of all the factors considered for designation.

The County considered commercial agriculture criteria in the mid-1990s and classified the properties as Rural in the Comprehensive Plan rather than as Commercial Agriculture (which lies west of Fairview Road and South of I-90).

## 9. Evaluation – City of Kittitas Land Capacity Analysis

Based on our initial review of the City Comprehensive Plan, the Growth Management Hearings Board cases across the state, and other demographic information, we suggest application of some alternative assumptions towards a revised land capacity analysis in Table 7. We also discuss background information or other examples.

**Table 7. Land Capacity Evaluation and Options**

Topic	Kittitas Comp Plan	Potential Alternative Assumptions	Discussion
Land Considered	Vacant, Ag land	<p>Option A. Vacant, Ag land</p> <p>Option B. In addition to vacant and ag land, consider adding partially developed property where land can be further divided.</p> <p>Also consider adding underutilized land if market conditions appropriate (where land value exceeds structure value by 50%).</p>	<p>Option A: Addresses primary source of developable land for the City. Additionally, Ag land should capture partially developed land since there is typically a home with crops. Option A is selected for revised Land Capacity Analysis.</p> <p>Regarding Option B, communities experiencing market pressure typically see growth on partially developed or underutilized land. These lands could be included if the City has seen some history of turn over on these types of properties.</p>

Topic	Kittitas Comp Plan	Potential Alternative Assumptions	Discussion
Residential Density	R 1: 4 du/ac R 2: 10 du/ac	<p>Option A: R 1: 4 du/ac R 2: 10 du/ac</p> <p>Option B: Historic densities, if urban in nature (e.g. in city limits, current density appears to be: R-1: 344 units/71 acres = 4.85 du/ac R-2: 130 units/22.86 acres = 5.69 du/ac</p> <p>Option C: Recent platted densities appear to be: R 1 zone: 4.41 to 5.69 du/acre based on three plat examples.</p>	<p>Option A. Densities are urban in character and represent the City's desired urban form. Option A is selected for revised Land Capacity Analysis.</p> <p>Options B and C. To the extent that either historic densities or platted densities are representative of what the City expects to see in the future, or to the extent a range of densities is allowed, the City may consider using these assumptions in its analysis. However, we understand the City recently changed its desired R1 density from 6 to 4 units per acre. Thus the past may not represent the future.</p>
Employment Density	Not included	<p>Option A: Use observed floor area ratios in example developments and known employment levels and determine employees per square feet.</p> <p>Option B: Calculate observed employees per acre in example developments and assume for the future. Vary by type of use.</p>	<p>Options A or B: The benefit of reviewing employment density is the ability to compare land capacity to employment targets. However, the City has not yet developed employment targets.</p> <p>The ECONorthwest Study prepared for Ellensburg does not provide local development examples, but does include a range of assumptions for employment density, and may be a resource if local examples are not available. For example, the report considers 10 employees per acre for commercial and industrial uses (typically these are more differentiated but not in this report); the report shows a low and high range of square feet per employee.</p> <p>If considering big box, based on store numbers and total employees, Home Depot would have 135 per store, Costco would have an average of 250 employees per store, and Wal-Mart 350 per store.</p> <p>The US Census 2007 County Business Patterns indicate that 84% of industrial</p>

Topic	Kittitas Comp Plan	Potential Alternative Assumptions	Discussion
			<p>businesses in Kittitas County have less than 20 employees. Only two manufacturing operations in the County had between 100-249 employees. Similarly, 88% of wholesale and retail operations had less than 20 employees. Only one wholesale trade operation and one retail trade operation had between 100-249 employees.</p> <p>Note: Employment density may not be as important as addressing parcel sizes. See below.</p>
Discounts			
Lands for Public Purpose	30% deduction	See below	
ROW	Included above	<p>Option A: Observed ROW: ROW City: 14% ROW UGA proposed: 20% Average: 17%</p> <p>Option B: Base on existing plus proposed road network</p>	<p>Either option is appropriate. May be more speculative to use proposed road network if not all local streets have been determined. Option A is used in the revised land capacity analysis – average.</p>
Other Public	Included above	<p>Option A. Mapped Parks/Utility City: 3.4% Parks/Utility UGA proposed: 4.2% Average: 3.8%</p> <p>Option B: Base on existing plus proposed facilities</p>	<p>Either option is appropriate. May be more speculative to use proposed facilities if not all facility locations have been determined.</p> <p>Option A is used in revised land capacity analysis – average.</p>
Critical Areas	5% deduction	<p>Option A. Mapped Mapped Floodplain, wetland, City: 13% Mapped Floodplain, wetland UGA proposed: 9% Average: 11%</p> <p>Option B. In addition to the above, review hydric soils</p>	<p>Using mapped information is appropriate, including hydric soils if known.</p> <p>Option A is used in revised land capacity analysis – average.</p>
Ag Conversion	40% deduction	None	<p>Board found that it was overestimating the market factor.</p>
Market Factor	25%	<p>Option A: 25%</p> <p>Option B: May consider different market factor based on the record. May wish to include a larger market factor for commercial or industrial if appropriate.</p>	<p>Option A was once a bright line used by the GMHB. Now the test from the State Supreme Court is a reasonable market factor. For a conservative approach, Option A is used in the revised land capacity</p>

Topic	Kittitas Comp Plan	Potential Alternative Assumptions	Discussion
			<p>analysis.</p> <p>Regarding Option B, lot size and the need for competition (e.g. more than just very few property owners) may be more appropriate considerations based on other County examples (e.g. Snohomish County and Kitsap County).</p>
Other			
Parcel size	Not included	<p>Consider large parcels for economic purposes.</p> <p><u>City Limits</u>                      Mixed Commercial-Industrial <i>zoned land</i>                      Mean: 5.34 acres                      Median: 0.81 acre                      Industrial <i>zoned land</i>                      Mean: 2.80 acres                      Median: 1.45 acres</p> <p><u>Proposed UGA</u>                      Mixed Commercial-Industrial <i>zoned land</i>                      Mean: 32.04 acres                      Median: 13.34 acres                      Industrial <i>zoned land</i>                      Mean: 15.1 acres                      Median: 3.68 acres</p> <p>UGA amendment requests, alone:                      Gibbs, Kevin – 101 acres                      Gibbs, Ronald and Douglas – 188 acres</p>	<p>Parcel size can be related to the job forecast/tax base needs and desired employment types.</p> <p>Snohomish County Countywide Planning Policies allow for communities to expand UGAs where exceeding 50% of land consumption or where large parcel sizes are needed.<sup>6</sup></p> <p>South Kitsap Industrial UGA sized for large format industrial and office users.</p> <p>Comparable sizes:                      Big Box Retailers: Desired land area between 70 – 100 Acres. Minimum 10 to 30 acres each for two anchor regional retailers. Minimum 20 to 30 additional acres for smaller retailers. (Property Counselors and Western Cities, Inc. April 2005)</p> <p>Truck Stops: Gearjammer in Yakima Valley – approx 36 acres (February 2003 information)</p> <p>Center Point Business Park, Ellensburg: 80 acres total (The Daily Record 2008)</p> <p>Eureka Park (Airport): 325 acres (The Daily Record 2008)</p>

<sup>6</sup> Policy UG-10 part 4 reads in part: " ...the boundary of an individual UGA may be expanded to include additional commercial or industrial land if the expansion is based on an assessment that concludes there is a deficiency of larger parcels within that UGA to accommodate the remaining commercial or industrial growth projected for that UGA. ..."

## Residential Land Capacity

The residential land capacity analysis considers vacant and agricultural land shown on Figure 1 earlier in this memo having residential land uses designations shown in Figure 2. Public lands while designated R-1 are not considered vacant or agricultural and were not included. Based on alternative assumptions outlined in Table 7, the revised land capacity results equal 298-448 additional dwellings (see Table 8). Detailed worksheets are provided in Appendix E.

**Table 8. Revised Land Capacity Analysis**

### Method A. All Raw Land

	Gross Developable Acres	Total Deducted Acres	Net Acres	Market Factor: 25%	Revised Net Acres	Dwelling Units	Population
<b>City Limits</b>							
<b>Residential</b>							
Residential 1 (excluding pipeline)	63	20	43	11	32	128	319
Residential 2	6	2	4	1	3	30	75
<b>Non-Residential</b>							
Downtown Commercial	0	0	0	0	0		
Mixed Commercial/Industrial	50	16	34	9	26		
Industrial	23	7	16	4	12		
<b>UGA</b>							
<b>Residential</b>							
Residential 1	55	18	38	9	28	114	283
Residential 2	5	2	3	1	3	26	64
<b>Non-Residential</b>							
Downtown Commercial	0	0	0	0	0		
Mixed Commercial/Industrial	267	85	182	45	136		
Industrial	75	24	51	13	39		
<b>TOTAL Capacity</b>	<b>545</b>	<b>173</b>	<b>372</b>	<b>93</b>	<b>279</b>	<b>298</b>	<b>742</b>

Note: Population determined by using 2.49 average housing size per US Census 2000.

### Method B. Pipeline Development Added in at End

	Gross Develop-able Acres	Total Deducted Acres	Net Acres	Market Factor: 25%	Revised Net Acres	Dwelling Units	Population
<b>City Limits</b>							
<b>Residential</b>							
Residential 1 (excluding pipeline)	17	5	11	3	9	34	85
Residential 2	6	2	4	1	3	30	75
<b>Non-Residential</b>							
Downtown Commercial	0	0	0	0	0		
Mixed Commercial/Industrial	50	16	34	9	26		
Industrial	23	7	16	4	12		
<b>UGA</b>							
<b>Residential</b>							
Residential 1	55	18	38	9	28	114	283
Residential 2	5	2	3	1	3	26	64
<b>Non-Residential</b>							
Downtown Commercial	0	0	0	0	0		
Mixed Commercial/Industrial	267	85	182	45	136		
Industrial	75	24	51	13	39		
<b>TOTAL Capacity</b>	<b>498</b>	<b>158</b>	<b>340</b>	<b>85</b>	<b>255</b>	<b>204</b>	<b>508</b>
Pipeline Development						244	608
<b>Grand Total</b>						<b>448</b>	<b>1115</b>

Note: Population determined by using 2.49 average housing size per US Census 2000.

The 298-448 added dwellings are greater than the City’s land capacity estimate of 168 but the range captures the City’s “expected subdivision homes” projection of 357-379 homes for a 2025 or 2027 horizon year, respectively. The 298 dwelling estimate on the low range is based on treating all vacant and agricultural land as raw land, while the upper range of 448 removes acreage approved for preliminary plats, adding in the approved lots at the end of the analysis. It should be noted that several of the preliminary plats were approved at densities between 4 and 6 units per acre, but through the Comprehensive Plan Update the City revised its R-1 density to 4 units per acre. Thus if the approved preliminary plats were to expire and be replatted, the lot yield would be lower (closer to 400 rather than 450). The preliminary plats were approved around 2006 and 2007 before the present economic climate.

The revised land capacity analysis for the UGA and City limits as a whole illustrates that the population allocation by the KCCOG would be met, but there is some excess capacity of about 29-67 net acres (118-268 homes or 293-666 population). To be in balance given the revised land capacity assumptions, the future land use mix or population allocation would require adjustment. See below.

### Residential Options

To provide for a balance between land capacity and population allocations, several options are possible:

- a. Reduce UGA boundaries to reduce residential capacity

- b. Alter the land use mix to reduce residential uses and increase non-residential land uses
- c. Revise the population allocation
- d. Mix of UGA, land use, and population allocation changes

Two options are recommended for further consideration based on Options “c” and “d”:

1. **Reallocate population to the Kittitas UGA through an amendment to the Countywide Planning Policies.**

Option 1 is based on maintaining the UGA boundaries that reflect the City’s vision and policy choices in its adopted Comprehensive Plan. To ensure that the population allocation balances with the land capacity, population could be reallocated from the rural area (up to 666 additional population above the allocation provided in 2005). This would recognize the logical growth boundaries studied by the City in its Comprehensive Plan (e.g. one lot deep on No. 81 Road rather than a road as a service boundary; residential opportunity along the Iron Horse Trail), and the small amount of developable residential areas once the pending plats are complete. It may require some amendment of the demographic and capital facility information in the City and County comprehensive plan.

This reallocation option would require consideration by the KCCOG. In addition, because Kittitas County must make decisions about Countywide Planning Policies and UGA expansions, the Kittitas County Planning Commission would also make recommendations. The Kittitas County Board of County Commissioners would make the final legislative decision.

2. **Modify UGA boundaries, change the land use mix and reallocate population.** Option 2 is based on reassessing priority areas for residential growth and providing for a smaller UGA. For example, land east of No. 81 Road could be removed from the UGA, and put into an Urban Reserve designation (and subject to rural zoning) until ready for inclusion in the UGA in a future planning period. The land designated R-1 south of the Iron Horse Trail could be redesignated as Mixed Commercial/Industrial. If these changes were made, the population reallocation (drawn from the rural area) could be reduced to an additional 472 population instead of an additional 666 population. This is more in line with the City’s “expected subdivision homes” projection and the related population assumptions of the City’s Water System Plan; thus, less modification of demographic and capital facility information may be needed.

A similar review process would be required as for Option 1. The KCCOG would consider the population reallocation. The County Planning Commission would make recommendations about the Countywide Planning Policies and the UGA boundary expansion. The Board of County Commissioners is responsible for making a legislative decision regarding UGA boundaries based upon KCCOG population reallocations.

One additional option was considered but is not recommended – i.e., to remove all of the residential UGA outside the City limits. The reasons for not carrying this forward include:

- Redrawing the UGA to shrink to the City limits would maintain irregular service areas along the City limits, particularly to the north.
- With the 244 lots approved in the City limits alone, the City would exceed its allocated population by 159. Tightening the boundaries to the City limits would not recognize that additional demand for single family residential development is possible in the 20-year period after the plats are developed since there is little developable land for single family development left in the City limits.

## Employment Land Capacity

### *Capacity Methods*

There are several methods for determining the capability of the developable commercial land to support jobs (see Table 7) including:

- Determining likely floor area ratio and determining employees per square feet for desired employment types
- Use of employees per acre for desired employment types
- Use of developed areas as models

Any of these methods are appropriate, and can be considered by the City and County to determine employment land capacity. However, the use of employees per square foot and the use of employees per acre are based on “rules of thumb” from a study in Ellensburg, while the use of model developed areas are based on local and other examples in the state.

Ultimately, the use of rules of thumb and examples will allow the City and County to determine the “supply of jobs”. Job supply can then be used to determine employment land “needed.” Table 9 summarizes approximate calculations of land supply (based on net employment acres in Table 8) show a potential for 885 to 2,126 jobs, depending on assumptions about employee rates and large format retail uses; the City may have alternative assumptions that relate more closely to its desired economic vision.

**Table 9. Land Supply Methods and Relationship to Jobs-Housing Balance**

Method	Job Capacity	Jobs Housing Balance: Residential UGA Stays Same	Jobs Housing Balance: Residential UGA Reduced
1. employees per square foot [1]	1873	1.91	2.07
2. employees per acre [2]	2126	2.17	2.35
3. example development [3]	1512	1.54	1.67
4. example development [4]	885	0.90	0.98
Kittitas County Jobs-Housing Balance		0.96	

[1] ECONorthwest 2005. Mid range square feet per employees: commercial 1000; industrial 700. Presumes proposed UGA boundaries in City Comprehensive Plan.

[2] ECONorthwest 2005. 10 per acre. Presumes proposed UGA boundaries in City Comprehensive Plan. The calculations are updated from a prior estimate of 1750 due to correction of a formula error, where 1,750 only accounted for the UGA capacity.

[3] Assumes three large format stores or major industrial employers; average employees of 250. On non-large format sites, assume 10 employees per acre. Presumes proposed UGA boundaries in City Comprehensive Plan.

[4] Assumes two large format stores or major industrial employers; average employees of 135. On non-large format sites, assume 10 employees per acre. On non-large format sites, assume employees per s.f. high range 1,500 commercial and 1000 industrial per ECONorthwest 2006. Presumes UGA reduction of approximately 30 net mixed commercial/industrial acres consistent with removing Mixed Commercial/Industrial Land west of the City's wastewater facilities.

Employment land needs may be determined by considering future employment growth goals, desired employment types, jobs-housing or jobs-population balance, tax base growth needs, parcel size, and capital facility plans.

For example, based solely on achieving a jobs-housing balance of 1.0 there would be a need for at least 650 to 800 jobs (assuming current and projected dwelling unit capacity). Some cities (like DuPont or Tukwila) have adopted goals of more jobs than housing. However, a jobs-housing balance is only one part of the picture. Other factors that will determine employment needs are tax base and fiscal sustainability, suitability of the land for desired economic uses (parcel size, shape, depth, proximity to transportation corridors, etc.<sup>7</sup>), and other factors.

<sup>7</sup> Key locational criteria for regional centers (Property Counselors; Western Cities 2005 )

Land Use

- o Within the City Limits.
- o Within the Urban Growth Boundary.
- o Designated commercial in the Comprehensive Plan.
- o Zoned in a manner consistent with regional retail use.
- o Existing uses on the site compatible with regional retail.
- o Existing uses in the neighborhood compatible with regional retail.
- o Limited impact on single family residential neighborhoods in close proximity.
- o Limited impact on historical structures.

Developable Land Area

- o Total land area between 70 – 100 Acres.
- o Minimum 10 to 30 acres each for two anchor regional retailers.
- o Minimum 20 to 30 additional acres for smaller retailers.

Property Shape and Dimensions

- o Generally rectangular in shape for building and parking lot efficiency.
- o 900 feet of depth from the right of way is ideal for the regional retail development.

Topography

- o Flat to lightly sloping topography for building efficiency and economy.

Access

- o Close proximity to freeway interchange to serve customers from a large geographic area.
- o Existence of secondary roadways to carry traffic from the freeway to the site.
- o Suitability of secondary roadways for handling the projected traffic volume.

Visibility

- o Clear visibility from the freeway and secondary roads to the buildings and signs.

Traffic Count

- o Regional retailers required high drive by traffic volume.

Utilities

- o Availability of water, sewer, power, telephone, storm water discharge.

Sensitive Areas

- o Developable area must be free of sensitive areas and their buffers. Sensitive areas include natural water bodies such as rivers, streams, ponds, lakes, wetlands, as well as steep slopes, flood plains, wildlife habitat.

Ownership

- o Private, fee simple ownership by one land owner or small assemblage to acquire required land.

### *Employment Rationale*

Below we provide an outline that documents a rationale for the City's need of additional jobs based on the City's vision and the information in the City's plan and data otherwise collected to date. The highlighted questions are the same as those identified in the Executive Summary. The rationale outline was reviewed with the City on September 8, 2009.

- 1) **Vision and Goals:** The City and County Comprehensive Plan vision statements, goals and policies support economic development at the local and regional level. See excerpts below.

#### *Kittitas County Goals*

Kittitas County goals support existing and new businesses and industry, a jobs-housing balance, and cooperation at the regional and local level on economic issues:

GPO 10.1 Be a county the [that] supports the varied needs and demands of the community and surrounding area through the understanding and creation of a supportive and active environment for economic development in the community.

GPO 10.2 Support the retention and expansion of existing local businesses/industries and recruitment of new business/industries in order to maintain a strong job and wage base.

GPO 10.4 Encourage economic growth while protecting the rural character of the County.

GPO 10.5 Encourage the promotion of tourism and tourist based businesses.

GPO 10.6 Provide the infrastructure and public facilities to support economic activity and growth.

GPO 10.7 Strive to maintain a balance of jobs and housing.

GPO 10.9 Work in cooperation at the local and regional level to combine resources and build consistency in economic development strategies.

#### *City of Kittitas Vision Statement*

The City of Kittitas Vision Statement supports a larger tax base and increased employment opportunities. Policy LU 4.8 promotes existing industrial locations. The Land Use designations support this vision by showing industrial and mixed commercial/industrial areas (see Figure 2).

We, the citizens of Kittitas, envision a Community that respects and preserves its historical and cultural resources and provides an effective stewardship of its outstanding scenic and natural features; a Community that maintains its historic identity while encouraging a balanced, cohesive yet diverse community as it grows; a Community that utilizes its location where residents' various physical, educational, economic and social activities can be pursued in a safe, attractive and healthy environment; and finally, a Community that strives to improve and increase the tax base to provide a high level of service to its residents, and to improve and increase employment opportunities by encouraging new businesses to join the community.

- POLICY LU 4.8: Actively support economic development measures that serve to revitalize and promote the growth of existing industrial locations.
- 2) **Current Conditions:** The City’s economic measures lag those of other cities or the county as a whole. The City’s assessed value per capita is lower and its jobs-housing balance is lower than other communities in the County. Its unemployment rate is higher than the County.
- a) **Current City/County Tax Base.** The City’s vision statement supports an expanded tax base. The need for this is demonstrated in Table 5 earlier in this memo where the City’s assessed value per capita is lower than other cities in the County.
- Budget Information: Does the City have additional budgetary or other information that it feels would add to this part of the rationale?*
- b) **Current City/County Employment.** The County presently has 15,550 non-farm jobs of which the City holds 180 jobs approximately 1.1% of the total County figure. See Table 3.
- c) **Current City/County Unemployment Rate.** Similar to the year 2000, the City is estimated in 2008 to have a higher unemployment rate than the County as a whole: 13.9% versus 5.8% (See Table 4).
- d) **Current Housing Tenure.** Approximately 66.2% of the housing units in the City in the Year 2000 were owner-occupied, and 33.8% were renter-occupied. (US Census 2000)
- e) **Current City/County Commute Patterns.** The City’s Comprehensive Plan quotes US Census information for the year 2000, and notes that nearly all residents commute out of Kittitas city boundaries for work: “Further evidence of the lack of employment within the City is seen in the work commute times. The City of Kittitas is a small community with a travel time of less than [than] 10 minutes for end to end. The City of Ellensburg is approximately 8 minutes away. When reviewing the US Census data for travel time to work and employment options within the City, it is determined that as many as 87% of residents find jobs outside the City.”
- f) **Current City/County Jobs-Housing Balance.** The City’s jobs-housing balance is much lower than for Kittitas County as a whole. The County’s jobs-housing balance is 0.96 while the City’s is 0.38, approximately. (See Table 3.)
- g) **Economic conditions in County.** Kittitas County industry employment lacks substantial numbers of well-paying, private sector jobs. The only retail sectors where Kittitas leads the national average are gasoline stations and restaurants and bars. Additionally, the County experiences significant retail sales tax leakage. The number of employed residents in the county has grown faster than the job base, and affects commuting patterns. Economic studies and publications have indicated that large format retail and industrial businesses are opportunities in Kittitas County that require greater planning and “ready to go” sites. See Section 5, Population and Employment Estimates and Forecasts, Studies and Publications

subsection.

3) Forecast Employment

a) **Desired Number of Jobs.** Employment land needs may be determined by considering future employment growth goals, desired employment types, jobs-housing or jobs-population balance, tax base growth needs, parcel size, and capital facility plans. Key discussion questions for the City to help sort out the desired number of jobs include:

*Jobs-Housing Balance: What is the City's vision of the balance between jobs and housing? For example, it could be to match the countywide jobs-housing balance, which is nearly at 1.0, or it could be to have a greater number of jobs than housing due to a local vision to be a County employment center as other communities have envisioned for themselves.*

b) **Desired industries and relationship to parcel size.** Based on the City's vision and the mixed industrial/commercial designation, the City appears to desire large format commercial uses and industrial uses. Parcel size information in Table 7 shows the City lacks larger parcels – the City average is 2 to 5 acres for commercial and industrial sizes. When considering the proposed UGA, the average size increases to 15 to 32 acres. The proposed additions to the UGA would provide 100-188 acres of land. A study prepared by Property Counselors and Western Cities indicated that large format users need 70-100 acres of rectangular land with good visibility and depth from major highways. The UGA addition would appear to help meet criteria for large format users (See footnote 5 for more information.)

c) **Competition – multiple owners.** It may also be important to offer competition of possible sites by having multiple land owners.

d) **Land supply.** The need for employment land will be based on numerous factors, such as desired employment types, parcel size, and employment density.

*Tax Base and Ability to Provide Services: The City's Comprehensive Plan vision indicates a need to expand the city's tax base. It says in part: a Community that strives to improve and increase the tax base to provide a high level of service to its residents, and to improve and increase employment opportunities by encouraging new businesses to join the community." Does the City have a sense of the commercial and industrial land needed to ensure the City is viable and can provide the levels of services it has planned for its citizens?*

*Priority Areas: The amount of land needed could be based on jobs-housing balance, tax base needs, and need for large parcel sizes to attract large format commercial and industrial uses. Within the area that is planned for employment, are there higher and lower priority areas?*

### *City Action – Employment Rationale*

Kittitas County and ICF Jones & Stokes presented the information and options regarding residential and employment lands to the Kittitas City Council at their meeting of September 8, 2009. The City Council discussed the following points:

- **Jobs-Housing Balance:** The City Council indicated an intent for the City to be “job rich”. The City Council discussed that they are comfortable with any of the proposed approaches to calculate future jobs.
- **Tax Base:** The City may have some sales tax history and anecdotal business loss information to add to the discussion.
- **Priority Areas:** The rectangular parcel – i.e. the area close to the freeway – is most important.
- **Rationale for Employment:** City Council members generally indicated the employment rationale outline was appropriate. They are concerned about out-commuting as noted in their Comprehensive Plan. They believed the rationale would benefit from adding information about the number of owner-occupied versus rental housing.

We recommend that the City provide a motion, or letter, or resolution that identifies or confirms its rationale for employment areas in particular. The above outline and City Council discussion on September 8, 2009 can be used as a base and can be modified where there is more information or local knowledge or additional clarification on the City’s economic vision. Having this by October 5, 2009 would allow the County to consider it prior to the formal Planning Commission and Board of County Commissioner’s consideration and public hearings scheduled for October 13, 2009.

### *Measures to Support Planned Growth: Capital Facilities – County and City Actions*

Based on the employment rationale confirmed or augmented by the City, the County will need to identify appropriate capital facilities supporting future planned development. Developer provided water and sewer lines and new local roads will likely be required. (See Section 7 of this memo.) Additional information about capital facilities planning is available under separate cover prepared by Berk & Associates and ICF Jones & Stokes.

As part of its compliance measures the County will be determining Countywide Planning Policy amendments and UGA boundaries as well as amending capital facility plans. Once these decisions are made by the County, the City would likely need to amend its Comprehensive Plan to match the UGA boundaries, population, and potentially updated capital facility information defined by the County.

## Land Options to Support Planned Employment

The analysis in this memo supports the need for additional land to meet the City and County visions and goals for employment uses. The amount of land will be based on considering future employment growth goals, desired employment types, jobs-housing or jobs-population balance, tax base growth needs, parcel size, and capital facility plans.

Based on the key questions outlined in this memo and City input, we have identified two options to take forward to the County Planning Commission and County Board of Commissioners regarding employment areas in the UGA:

- Full UGA expansion proposal with industrial and mixed commercial/industrial uses
- Partial UGA expansion proposal focusing on including the area to the east of the wastewater treatment facilities closest to I-90.

## Kittitas UGA Recommendations – Kittitas County Comprehensive Plan

The City did not select a particular residential or employment option at its discussion on September 8, 2009, but seemed open to the options that reduced the UGA in lower priority areas for residential or commercial activities.

For purposes of preparing initial recommendations for Kittitas County Comprehensive Plan and Zoning recommendations and for the purposes of studying capital facility implications, the following assumptions are made:

- **Combined Residential and Employment Option 1:** Current UGA boundaries with revised land capacity analysis:
  - Future population of 2,250 based on Residential Option 1.
  - Addition of 448 homes based on capacity of land.
  - Addition of 1,512 employees based on Employment Option 3. (See Table 9.)
- **Combined Residential and Employment Option 2:** Revised UGA boundaries with revised land capacity analysis.
  - Future population of 2,056 based on Residential Option 2.
  - Addition of 370 homes based on capacity of land.
  - Addition of 885 employees based on Employment Option 4. (See Table 9.)
  - Urban Reserve designation for areas removed from consideration as UGA.

The Options are depicted on Figures 5 and 6 using City classifications.

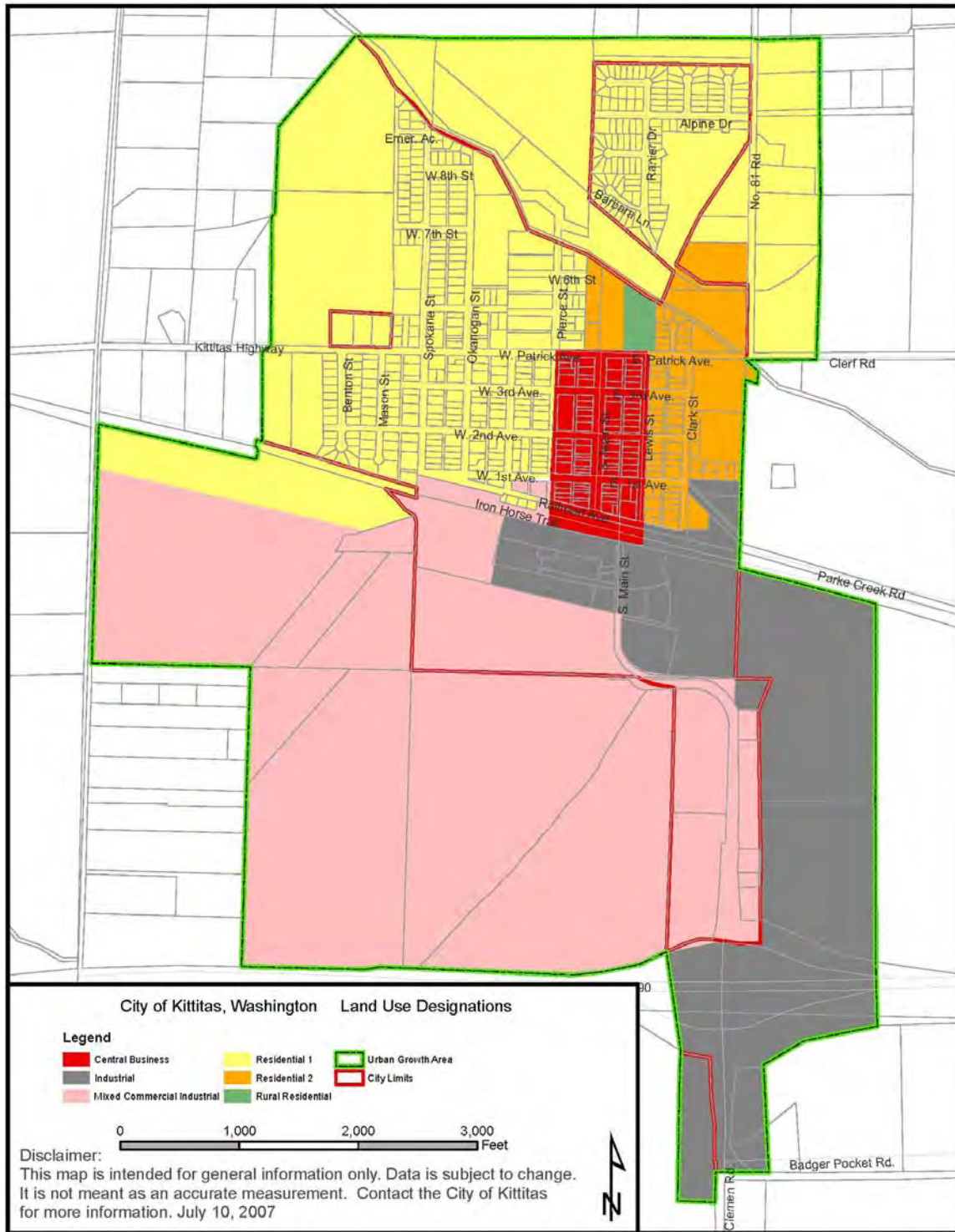


Figure 5. Combined Residential and Employment Option 1 (Current City of Kittitas Comprehensive Plan)

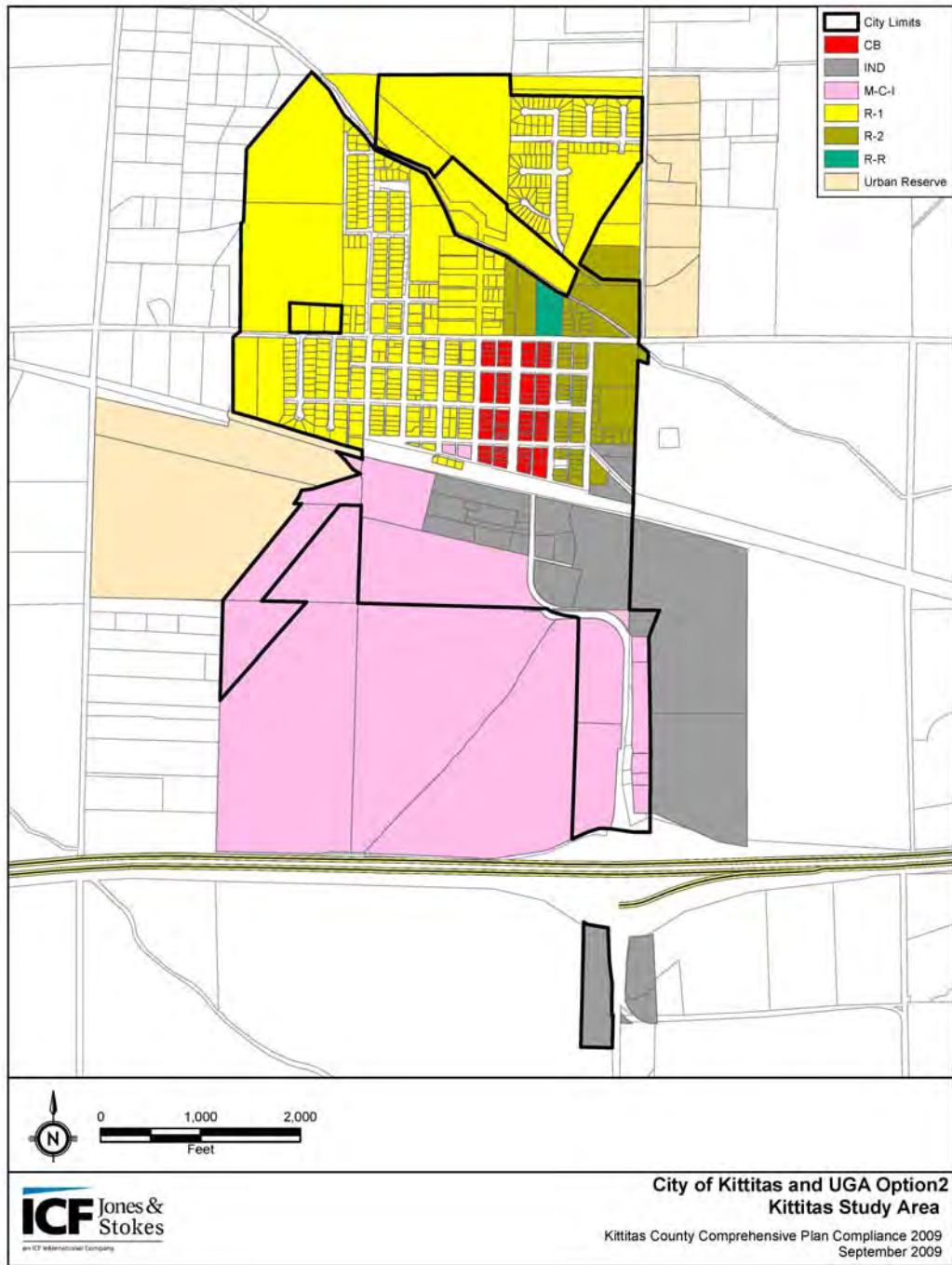


Figure 6. Combined Residential and Employment Option 2 (Reduced UGA and Urban Reserve)

In order to translate the City land use and zoning designations into the Kittitas County Comprehensive Plan and zoning framework there are two choices as shown in Table 10.

**Table 10. Kittitas County Comprehensive Plan and Zoning Options**

Designations Proposed for Unincorporated Area	Kittitas County Comprehensive Plan	Kittitas County Zoning
Industrial	Industrial Kittitas	I-L Light Industrial Zone
Mixed Commercial/Industrial	Industrial Highway Commercial Kittitas	C-G General Commercial Zone
Residential 1	Low Density Residential Kittitas	UR-II Urban Residential Zone
Residential 2	High Density Residential Kittitas	UR-II Urban Residential Zone
Option 2 Proposed Designation	Urban Reserve	Rural Residential east of No 81 Road Ag-20 west of sewer treatment plant

Urban Reserve is a new proposed Comprehensive Plan designation associated with Option 2, to recognize the vision of the City recognized in its Comprehensive Plan. If an Urban Reserve is carried forward as part of Option 2, the following language is recommended for addition to the Comprehensive Plan Land Use Element in section 2.3 as numbered in the 2008 plan as its own subsection:

**Urban Reserve**

The Urban Reserve designation is intended to identify a future addition to an Urban Growth Area that appear to be logical areas for potential future growth during the planning period or beyond. These lands may be added to the urban growth area when the need arises, when adequate public facilities and services can be provided, and when consistent with the Kittitas County Comprehensive Plan and the Kittitas County Countywide Planning Policies. Reclassification from Urban Reserve to UGA may be considered as necessary through amendments to the Comprehensive Plan.

## 10. Next Steps

Based on the analysis provided in this memo, we anticipate the following steps in the process of the Kittitas UGA review:

- City reviews the residential land capacity analysis and confirms residential land options.
- City confirms County analysis or provides additional information or vision ideas regarding its employment rationale including motion, letter or resolution from City Council to Kittitas County by October 5, 2009.
- County presents land use and zoning map options for public review process in advance of public workshops in late September or by public hearing process in October.
- The County Planning Commission considers the City’s request and the County analysis and land use options.

- The KCCOG considers potential amendment to the growth re-allocation options and advises member jurisdictions per the roles identified in the Countywide Planning Policies.
- The Board of County Commissioners considers Planning Commission and KCCOG recommendations.
- Following the Board of County Commissioners decision on UGA boundaries, the City updates its Comprehensive Plan. This would likely occur in 2010.

## 11. References

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## Appendix A: Growth Management Hearings Board Case Excerpts

In its Final Decision and Order on August 20, 2007 (case 07-1-004c), the EWGMHB indicated that Kittitas County was obligated to make its own independent evaluation of the City of Kittitas UGA land capacity and whether there was a need to expand the UGA.

Under the GMA, urban growth areas may not be expanded unless there is a need for additional capacity, based on the state Office of Financial Management (OFM) population projections, patterns of development, and other similar factors identified in RCW 36.70A.110. The purpose of a land capacity analysis is to provide the information necessary to determine whether there is a need to expand an UGA. In the absence of a land capacity analysis, there is no demonstration of need and expansion is not justified. Alternatively, a proper land capacity analysis would provide Kittitas County with information to determine whether expansions of the UGAs adopted in Ordinance 2006-63 are appropriate.

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The County argues the City of Kittitas UGA expansion is supported by evidence in the record. County HOM Br. at 16.17. That may be, however, RCW 36.70A.110 requires not just the existence of evidence in the record that can be used to support an UGA expansion, but an affirmative assessment by the County as to whether: (1) there is a need to expand the UGA based on the OFM twenty-year population projections, and other considerations, such as the amount of developable land projected to be available within the existing UGA and (2) whether the particular land at issue is appropriate for inclusion in the UGA. See *Moitke v. Spokane County*, EWGMHB No. 05-1-0007, FDO, at 8-10 (Feb. 14, 2006). As this Board explained in *McHugh v. Spokane County*, EWGMHB, No. 05-1-0004, FDO, at 19-20 (Dec. 16, 2005), [T]he County must conduct the analysis (or, at minimum, substantively verify an analysis provided by a proponent) and must include the analysis in the record so it can be evaluated by the public. The Board can find no land capacity analysis in the record.

Later in the First Compliance Order dated August 7, 2008, the Board found that the UGA expansion was not supported by the residential capacity analysis and was focused on commercial/industrial lands, but that the analysis did not provide enough information on the need for commercial and industrial land needs:

Therefore, the City's own land analysis demonstrates Application Nos. 06-03 and 06-04 are not needed to accommodate expected residential growth within the UGA.<sup>79</sup> The Board notes the two applications still at issue for the City of Kittitas were not designated as residential, but as Mixed Commercial Industrial, therefore any reliance on residential needs for the City is not supported.

In regards to commercial and industrial lands, all that is noted in the City's CP is that the City

wants to provide stronger tax base, reduce commute time, improve the quality of life and job opportunities, and fill a regional need for larger retail and industrial land. To achieve these goals, the City has designated a Mixed Commercial Industrial Area, covering most of the “recent lands brought into the UGA” – the pending applications - which it believes are ideal for large retail and industrial uses due to their proximity to the highway, public facilities, single ownership, and topography.<sup>80</sup> However, the City’s CP contains no analysis, other than a conclusory statement, about commercial and industrial land needs. Without a more persuasive and complete analysis as to the commercial and industrial needs of the City, the Board continues to find the County has failed to provide, either through its own preparation or submittal of supporting documentation drafted by the City, the required land capacity analysis to support an expansion of the City of Kittitas’s UGA.

Most recently, in the Second Compliance Order dated February 4, 2009, the Board restated its concerns with the land capacity analysis and in particular various assumptions regarding market factors and agricultural land conversion factors:

...RCW 36.70A.110(2) places the ultimate responsibility of sizing UGAs with the County and this includes the designation of the urban growth boundary and any assumptions used to size the UGA. The mere fact that no party appealed the City of Kittitas’s CP does not transform the City’s LCA into a binding mandate the County was forced to follow. Nor does this alter the County’s ultimate responsibility and authority to designate UGAs for, as noted above, it is counties and not cities that size UGAs. In order to analyze whether the County has properly designated the UGA, a record which contains supporting documentation of the designation decision is required – an evidentiary record that has been termed “Show Your Work”. Although this phrase has not been specifically articulated in this compliance proceeding, the importance of Kittitas County in “showing its work” in regards to the City of Kittitas UGA is the foundation of the issue. The phrase “show your work” was first used by the Central Puget Sound Growth Management Hearings Board to describe the explicit documentation of factors and data used by counties when undertaking the sizing of UGAs.<sup>95</sup> Because UGA sizing relies primarily on mathematical calculations and numerical assumptions, a “showing of work” is required in order to demonstrate the analytical rigor and accounting that support the sizing and designation of UGAs; without which both the Board and interested citizens would have no criteria against which to judge a County’s UGA delineation.<sup>96</sup>

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Therefore, what the Board continues to seek from Kittitas County are the facts and evidence supporting the sizing of the City of Kittitas UGA. There is no distortion of the presumption of validity; the presumption is rebuttable by evidence and legal argument for which the County must present contrary evidence from the Record. Without having the ability to review supporting evidentiary documentation, the Board’s ability to determine whether a jurisdiction has complied with the GMA would be irretrievably compromised. Since the Board has previously found Kittitas County’s actions substantially interfered with the GMA and issued

a Determination of Invalidity, the County is under an even greater burden to prove Kittitas County has fulfilled its mandated duty to ensure one of its UGA's has been sized in accordance with the GMA.

At the heart of the required analysis for determining the appropriate size of the UGA is a Land Capacity Analysis (LCA)<sup>102</sup> in which the County determines if a UGA has sufficient capacity to absorb the projected growth. The LCA is a critical mechanism for the sizing of a UGA because it is utilized to determine how much urban land is needed. It is prospective – looking forward over the coming 20 years to see if there is enough land within the UGA to accommodate the growth allocated to the area. Because Futurewise's original challenge set forth a prima facie case as to the sizing of the UGA, without the County's analysis the Board is unable to determine if the City of Kittitas UGA was properly sized. The question before the Board is whether the County's mere adoption of the City's LCA, without more, satisfies Kittitas County's duty under the GMA.

As was noted above, the ultimate responsibility for sizing a UGA pursuant to the GMA's mandate lies with Kittitas County. Thus, merely adopting the City's LCA without reviewing that analysis to ensure it properly conformed to not only the GMA's goals and requirements but to the goals and policies of Kittitas County's existing CP does not satisfy this duty. This, the Board has stated before in regards to the incorporation of plans developed by water and/or sewer districts which a jurisdiction intends to utilize to demonstrate it has complied with the GMA as to capital facilities.<sup>103</sup> The Board sees nothing different here. To reiterate – it is Kittitas County's duty to size a UGA, not the City of Kittitas. Upon a challenge to the size of one of the County's UGA's, the County must provide the Board with the County's analysis to support the sizing of the UGA. The record continues to be devoid of such an analysis.<sup>104</sup> In addition, Futurewise points to an "Ag Conversion 60%" reduction within its briefing. In order to understand what this reduction was, the Board reviewed the City's CP. The Board notes within its Land Use Element the City made the following basic assumptions, totaling 65 percent, as reductions in the land available for development: 30 percent for roads, 5 percent for parks and trails, 5 percent for critical areas, and a 25 percent market factor. Prior to applying these reductions, the City reduced the amount of "Ag Land" by a 60 percent "Ag Conversion" factor.<sup>105</sup>

The County contends Futurewise fails to understand the role of a market factor in GMA planning, asserting a market factor is not required to be shown unless the jurisdictions disagree. It is the County, not Futurewise, that misunderstands the application of a reasonable market factor to the sizing of a UGA. First, the City did explicitly state its market factor – 25 percent. Second, the Thurston County Court did not state a market factor was only required to be shown when a County and its municipality disagreed on a UGA's size. The Thurston County Court held once the size of an UGA has been challenged and a County asserts a market factor was used in designating the boundary then the petitioner may argue the factor was unreasonably based on the facts in the record.

Third, the Court did not hold OFM population projection numbers do not establish the outer

limit for a UGA's size, as the County asserts, rather the Court held:106

[A]lthough the GMA does not explicitly limit the size of a UGA, to give meaning to the market supply factor provision and in light of the GMA goal of reducing sprawl, we hold a county's UGA designation cannot exceed the amount of land necessary to accommodate the urban growth projected by OFM, plus a reasonable land market supply factor.

Thus, OFM's population projections establish a limitation on the size of a UGA with a reasonable market factor permitted to adjust the UGA's size. For clarity, a market factor is used to represent the estimated percentage of net developable acres contained within a UGA that, due to idiosyncratic market forces, are likely to remain undeveloped and/or underdeveloped over the course of the twenty-year planning cycle. Thus, the market factor acknowledges not all developable land will be put to its maximum use because of such things as owner preference, cost, stability, quality, and location; jurisdictions may include within a UGA acreage to offset this fact; this offset percentage is reflected by a reasonable market factor. But, because the Legislature only provided for a market factor, to size the UGA in excess of the acreage required by OFM population based upon any other reduction factor is simply not authorized by the GMA.107

The Board sees the "Ag Conversion" factor as functioning similar to a market factor in that it reflects the fact 40 percent of land now under agricultural designation will not be developed during the 20-year planning period. Thus, under the auspice of a market factor, the City reduced developable land by 65 percent. By simply adopting the City's LCA without conducting its own analysis, the County has passively accepted an unauthorized adjustment to the size of the UGA.

## Appendix B: Growth Management Act UGA Provisions

### RCW 36.70A.110 Comprehensive plans — Urban growth areas.

(1) Each county that is required or chooses to plan under RCW 36.70A.040 shall designate an urban growth area or areas within which urban growth shall be encouraged and outside of which growth can occur only if it is not urban in nature. Each city that is located in such a county shall be included within an urban growth area. An urban growth area may include more than a single city. An urban growth area may include territory that is located outside of a city only if such territory already is characterized by urban growth whether or not the urban growth area includes a city, or is adjacent to territory already characterized by urban growth, or is a designated new fully contained community as defined by RCW 36.70A.350.

(2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period, except for those urban growth areas contained totally within a national historical reserve. As part of this planning process, each city within the county must include areas sufficient to accommodate the broad range of needs and uses that will accompany the projected urban growth including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses. (sentence added with SHB-1825, effective 07/26/09)

Each urban growth area shall permit urban densities and shall include greenbelt and open space areas. In the case of urban growth areas contained totally within a national historical reserve, the city may restrict densities, intensities, and forms of urban growth as determined to be necessary and appropriate to protect the physical, cultural, or historic integrity of the reserve. An urban growth area determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses. In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.

Within one year of July 1, 1990, each county that as of June 1, 1991, was required or chose to plan under RCW 36.70A.040, shall begin consulting with each city located within its boundaries and each city shall propose the location of an urban growth area. Within sixty days of the date the county legislative authority of a county adopts its resolution of intention or of certification by the office of financial management, all other counties that are required or choose to plan under RCW 36.70A.040 shall begin this consultation with each city located within its boundaries. The county shall attempt to reach agreement with each city on the location of an urban growth area within which the city is located. If such an agreement is not reached with each city located within the urban growth area, the county shall justify in writing why it so designated the area an urban growth area. A city may object formally with the department over the designation of the urban

growth area within which it is located. Where appropriate, the department shall attempt to resolve the conflicts, including the use of mediation services.

(3) Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas. Urban growth may also be located in designated new fully contained communities as defined by RCW 36.70A.350.

(4) In general, cities are the units of local government most appropriate to provide urban governmental services. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development.

(5) On or before October 1, 1993, each county that was initially required to plan under RCW 36.70A.040(1) shall adopt development regulations designating interim urban growth areas under this chapter. Within three years and three months of the date the county legislative authority of a county adopts its resolution of intention or of certification by the office of financial management, all other counties that are required or choose to plan under RCW 36.70A.040 shall adopt development regulations designating interim urban growth areas under this chapter. Adoption of the interim urban growth areas may only occur after public notice; public hearing; and compliance with the state environmental policy act, chapter 43.21C RCW, and under this section. Such action may be appealed to the appropriate growth management hearings board under RCW 36.70A.280. Final urban growth areas shall be adopted at the time of comprehensive plan adoption under this chapter.

(6) Each county shall include designations of urban growth areas in its comprehensive plan.

(7) An urban growth area designated in accordance with this section may include within its boundaries urban service areas or potential annexation areas designated for specific cities or towns within the county.

(8)(a) Except as provided in (b) of this subsection, the expansion of an urban growth area is prohibited into the one hundred year floodplain of any river or river segment that: (i) Is located west of the crest of the Cascade mountains; and (ii) has a mean annual flow of one thousand or more cubic feet per second as determined by the department of ecology.

(b) Subsection (8)(a) of this section does not apply to:

(i) Urban growth areas that are fully contained within a floodplain and lack adjacent buildable areas outside the floodplain;

(ii) Urban growth areas where expansions are precluded outside floodplains because:

(A) Urban governmental services cannot be physically provided to serve areas outside the floodplain; or

(B) Expansions outside the floodplain would require a river or estuary crossing to access the expansion; or

(iii) Urban growth area expansions where:

(A) Public facilities already exist within the floodplain and the expansion of an existing public facility is only possible on the land to be included in the urban growth area and located within the floodplain; or

(B) Urban development already exists within a floodplain as of the effective date of this section and is adjacent to, but outside of, the urban growth area, and the expansion of the urban growth area is necessary to include such urban development within the urban growth area; or

(C) The land is owned by a jurisdiction planning under this chapter or the rights to the development of the land have been permanently extinguished, and the following criteria are met:

(I) The permissible use of the land is limited to one of the following: Outdoor recreation; environmentally beneficial projects, including but not limited to habitat enhancement or environmental restoration; storm water facilities; flood control facilities; or underground conveyances; and

(II) The development and use of such facilities or projects will not decrease flood storage, increase storm water runoff, discharge pollutants to fresh or salt waters during normal operations or floods, or increase hazards to people and property.

(c) For the purposes of this subsection (8), "one hundred year floodplain" means the same as "special flood hazard area" as set forth in WAC 173-158-040 as it exists on the effective date of this section. (added with EHB-1967, effective 07/26/09)

## **RCW 36.70A.115 Comprehensive plans and development regulations must provide sufficient land capacity for development.**

Counties and cities that are required or choose to plan under RCW 36.70A.040 shall ensure that, taken collectively, adoption of and amendments to their comprehensive plans and/or development regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated housing and employment growth, including the accommodation of, as appropriate, the medical, governmental, educational, institutional, commercial, and industrial facilities related to such growth, as adopted in the applicable countywide planning policies and consistent with the twenty-year population forecast from the office of financial management. (including amendments per SHB-1825, effective 07/26/09)

## RCW 36.70A.130 Comprehensive plans -- Review procedures and schedules -- Amendments.

(3)(a) Each county that designates urban growth areas under RCW 36.70A.110 shall review, at least every ten years, its designated urban growth area or areas, and the densities permitted within both the incorporated and unincorporated portions of each urban growth area. In conjunction with this review by the county, each city located within an urban growth area shall review the densities permitted within its boundaries, and the extent to which the urban growth occurring within the county has located within each city and the unincorporated portions of the urban growth areas.

(b) The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the comprehensive plans of the county and each city located within the urban growth areas, shall be revised to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period. The review required by this subsection may be combined with the review and evaluation required by RCW 36.70A.215.

## Appendix C: Summary of Growth Management Hearings Board Cases

### Eastern GMHB

#### *Benton County*

...“The Office of Financial Management projection places a cap on the amount of land a county may allocate to UGAs” [Diehl v. Mason County, 94 Wn.App. 645, 654, 972 P.2d 543 (1999)]. Roberts/Taylor v. Benton County and Benton County Board of Commissioners, et al., EWGMHB Case No. 05-1-0003, FDO, (Sept. 20, 2005).

Subjective factors may be considered. But a 56% increase above and beyond the figure calculated by the formula, which already includes a 25% market supply factor and is based on the high OFM projection, is contrary to the principals of the GMA and far in excess of any reasonable subjective factors. The Eastern Board didn't contemplate authorizing sprawl when they held that local circumstances and a jurisdiction's "community vision" among other things, are appropriate factors that may justify increasing the UGA beyond the OFM forecasts (Benton County, at p. 8 - 9). Roberts/Taylor v. Benton County and Benton County Board of Commissioners, et al., EWGMHB Case No. 05-1-0003, FDO, (Sept. 20, 2005).

The County and City of Richland did show their work in regards to the formula in CWPP #4. Their calculations, without increasing density, using the high OFM population allocation and a substantial market factor of 25%, came out to 2,116 acres. The County did not show its work concerning capital facilities, utilities and transportation plans, which is a major step in planning for an expanded UGA. In Diehl v. Mason County, 95 Wn.App. 645, 654, a market factor is consistent with a jurisdiction's determination of their land supply, but they must demonstrate the reasons for the market factor. "Although a county may enlarge a UGA to account for a 'reasonable land market supply factor,' it must also explain why this market factor is required and how it was reached." Roberts/Taylor v. Benton County and Benton County Board of Commissioners, et al., EWGMHB Case No. 05-1-0003, FDO, (Sept. 20, 2005).

#### *Grant County-City of Ephrata*

Local circumstance, traditions and identity will result in unique choices and solutions for each county and the cities within it. While such policy choices may be included in the sizing or configuration of the UGA, they must be made in a measurable way and with sufficient documentation as to the rational. The County and the city of Ephrata made those choices when they selected the densities of their residential lands. The County/City used the 60% reduction factor, a 25% increase using their market factor, extensive industrial and commercial areas, the larger population allocation and varieties of densities throughout the city. The existing city limits of Ephrata contain more available lands than needed to accommodate the OFM estimated

expected growth in the 20-year period. *Greenfield Estates Homeowners Assoc. v. Grant County, et al.*, EWGMHB Case No. No. 04-1-0005, FDO, (Oct. 6, 2004).

Expansive UGAs violate the goals and requirements of the GMA because they allow development in areas that would be prohibited within correctly sized UGAs. The existing city limits of Ephrata contain more available lands than needed to accommodate the expected growth in the next 20-year period. This was true even though the City and the County used the highest estimate of population growth, reduced the available lands by 60% reduction factor and increased the population by a 25% market factor. *Bargmann v. Grant County*; EWGMHB Case No. 99-1-0013, FDO; (May 19, 2000)

The county would not be out of compliance with the GMA if it used any number within the range. AN UGA determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses. “In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.” RCW 36.70A.110(2). *Bargmann v. Grant County*; EWGMHB Case No. 99-1-0013, FDO; (May 19, 2000).

### *Spokane County*

The County has the responsibility to prepare a land quantity analysis prior to any modification of the existing UGAs. The recent expansions of the UGAs, adopted by the County, include changes in the Airway Heights area, north of the City of Spokane and southeast of the City of Spokane Valley. In each of these changes the proponents argue that more land is needed within the County’s UGAs to accommodate the twenty-year projected population growth. There has been no comprehensive reexamination of the County’s land quantity or what population changes are expected, as is required by the GMA and the CWPPs. Such enlargements of the UGAs of Spokane County violate its own policies and the GMA’s requirements. (CWPP Urban #19, Urban Growth Area Revisions 9/30/97, RCW 36.70A.110(2) and RCW 36.70A.020(2)). *Moitke/Neighborhood Alliance of Spokane v. Spokane County, et al*, EWGMHB Case No. 05-1-0007, FDO, (Feb. 14, 2006).

### *Stevens County*

[Designation of UGA] WAC 365-195-335 clearly spells out what a jurisdiction must do to designate UGAs. The WAC may not designate the steps as a “land quantity analysis” or “land capacity analysis”, but if a county or city performs the necessary tasks, that terminology certainly describes what must be accomplished to fulfill the requirements of the GMA. *Wilma v. Stevens County*, EWGMHB Case No. 06-1-0009c, Order on Motions, at 20 (June 21, 2007).

### *Walla Walla County*

While the Board does not condone a density less than four du/acre, it clearly understands that local governments have broad discretion in developing comprehensive plans and development regulations tailored to local circumstances, bounded of course by the goals and requirements of

the GMA. In this case, the County and City of Walla Walla decided that a minimum three du/acre fits their twenty-year planning horizon, but will adjust this density upwards in the future if necessary. The Board recognizes that this figure is a minimum and the density in this zone can be as high as five du/acre. *Citizens for Good Governance, et al., v. Walla Walla County, et al.*, EWGMHB Case No. 05-1-0013, FDO, at 18 (June 15, 2006).

The question is does the record support that the County went through a process or analysis to de-designate agricultural land of long-term commercial significance.

The Board believes it does.

First, the County has gone through a thorough buildable lands analysis, including a population analysis and allocation process and came to the conclusion it needs the additional expansion of the City of Walla Walla's UGA to fulfill its predicted twenty-year population allocation. The County used the medium-high Office of Financial Management (OFM) projection, a density factor of three du/acre, and did not include a market factor quantity analysis.

Second, the County studied the Pennbrook lands soil quality and compared it to similar land in Walla Walla County. The soil compared with 90% of the lands in the County. If soil type prohibited de-designation, then the cities in Walla Walla County could not expand their urban growth areas. The soils around the City of Walla Walla are either classified as "prime", "unique" or "agricultural land of long-term commercial significance, so expansion would be impossible.

Third, the minimum guidelines for the designation (or de-designation as the case may be), developed by CTED are found in WAC 365-190-050, which states in part, "Counties and cities shall also consider the combined effects of proximity to population areas and the possibility of more intense uses of the land as indicated by: (a) through (j)". The Pennbrook lands satisfy de-designation because of several of these criteria, including (a) The availability of public facilities (highway, airport) and (c) The availability of public services (water, sewer).

Fourth, the Pennbrook lands, as determined by the Board in Issue No. 5, are adjacent to an already existing UGA and public services are available.

Fifth, counties are authorized by RCW 36.70A.130(3) to revise their "comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the comprehensive plans of the county and each city located within the urban growth areas..." "...to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period." The record shows Walla Walla County went through an adopted and thorough process to revise its Comprehensive Plan and has chosen to expand into the Pennbrook lands, rather than expand in alternative locations, increase density or change its development regulations to increase infill.

Walla Walla County has designated its natural resource lands, including agricultural lands, under RCW 36.70A.170. This statute is not violated by the Counties actions.

## Central GMHB

Adoption of the Kingston Sub-Area Plan, expanding an individual UGA prior to the 10-year review of the county's UGAs, countywide analysis, and collective consideration to accommodate the full 2025 population target did not comply with GMA. Expansion of the Kingston UGA in advance of adoption of "reasonable measures" did not comply with GMA. An urban land capacity analysis that discounted un-sewered areas of the existing UGA and a CFP that did not sufficiently provide services did not comply with GMA. The GMHB did find in favor of Kitsap County for other discount factors in the ULCA because they were tailored to local circumstances and were balanced by a relatively low market factor. The CPSGMHB remanded the Sub-Area Plan to the County for review and to take appropriate legislative action in concert with the 10-Year Update. [July 26, 2006 case number 06-3-0007].

[The County's CPP, allowing an individual UGA to be potentially expanded for economic development purposes to adjacent land that had previously been designated as resource lands, is permissible if a need for additional commercial or industrial land within the UGA is demonstrated in a land capacity analysis and if reasonable measures have been taken.] [CTED, 03-3-0017, FDO, at 39.]

[The County adopted a subarea plan that included a residential component in an area originally envisioned as an industrial reserve.] The Board recognizes that both the City of Bremerton and Kitsap County have placed a high priority on identifying land for future economic development. [The record developed during the County's decision-making process [on the subarea plan] indicates [the County has "shown its work" – citing various documents from the record]. [Kitsap Citizens, 00-3-0019c, FDO, at 14-15.]

The market factor is a subjective judgment about how much of the total land in the jurisdiction may be held off the market for various reasons and therefore not be "available" for development. The statute does not specify any particular market factor to be used in conducting the BLR review and assessment. The King County BLR includes a range of market factors established and employed by different cities and for different zones. Therefore, the Board concludes that the market factor(s) selected by the County in doing the review and evaluation is a policy judgment that falls within the jurisdiction's discretion to determine. Using a market factor that was less than that used on previous occasions for different purposes does not run afoul of any of the provisions of RCW 36.70A.215. [S/K Realtors, 04-3-0028, FDO, at 19-20.]

Where counties adopt a land supply market factor between 1 and 1.25 (i.e., of 25 percent), the Board will presume that the factor is reasonable. In evaluating allegations that a county has used an unreasonable land supply market factor, the Board will give increased scrutiny to those cases where the factor exceeds the 25 percent bright line. In determining whether the county's choice was reasonable, the Board shall consider three general questions: (1) What is the magnitude of the "land supply market factor" beyond the 25 percent bright line? (2) Is there other evidence to suggest that the land supply market factor is not reasonable? (3) Has the county also availed itself of other approaches, such as continuously monitoring land supply and making necessary adjustments over the life of the plans for the county and its cities? [Bremerton, 95-3-0039c, FDO, at 42-44.]

## Western GMHB

The WWGMHB has indicated that greater deference is given to size of industrial UGAs when measures to ensure efficient, phased, and well planned growth are incorporated:

**Industrial UGA Sizes and Need for Phasing:** “We have stated previously that at the CP [Comprehensive Plan] phase we would give greater deference to local governments as to the size of UGAs, particularly industrial UGAs. However, if local governments wish to delineate large UGAs they must have measures in place to ensure development is truly urban and efficiently phased. In the case of oversized industrial UGAs, conversion to other uses must be precluded to ensure the long-term preservation of industrial land. These oversized UGAs must not be allowed to enable sprawling, business-as-usual densities and usages.” (*Abenroth et al. vs. Skagit County et al.*, Case 97-2-0060c FDO)

**Phasing Method – Holding Zones:** One method of providing for effective infrastructure phasing inside of UGAs described above is a concept of “urban holding” areas, such as those included in the Clark County Comprehensive Plan (ACHEN, et. al., v. Clark County et al., case 95-2-0067, FDO):

As part of its concurrency requirement, Clark County adopted policies in its comprehensive plan for “urban holding districts” and “contingent zoning” provisions. At page 12.4 of the CP, these concepts were explained as follows:

“The comprehensive plan map contemplates two land use methods to assure the adequacy of public facilities needed to support urban development within urban growth areas (1) Contingent Zoning which applies an “X” suffix with the urban zone and (2) applying an Urban Holding District combined with urban zoning.

\*\*\*

The urban holding residential areas have minimum lot sizes of 1 du/10 acres. Industrial urban holding zones have minimum lot sizes of 1 du/20 acres. Unlike the urban reserve areas, which are located outside the UGA, the urban holding areas are definitionally located within the boundary. Each holding area is identified in the CP at page 12.5 and 6 for each individual city. Each area is required to maintain the “holding” designation until the city can assure adequate provisions are in place or will be made if the area is to be annexed. While we are unsure of how the County could enforce such a requirement if annexation did occur, we do not find a violation of the GMA on the basis of that possibility alone. The concept of the urban holding area within an urban growth area furthers the concurrency goals and requirements of the Act. The use of such a concept is in the discretion afforded to local decision makers.

The stated goal of these two concepts was to prohibit urban growth within the urban growth area until sufficient infrastructure was in place or assured, or until annexation took place. Clark County used these two concepts within the UGA to support the concurrency goals and requirements of the Act and to provide a mechanism for tiering of urban growth.”

**Master Planned Employment:** Also in the *Abenroth et al. v. Skagit County et al.* case cited earlier above, the WWGMHB left intact part of an industrial UGA when it found: “The Port of Skagit County’s master planned portion of the [Bayview Ridge] UGA is in compliance with the Act. The Port’s analysis shows that its land is well planned for, will be efficiently served, and will provide for industrial uses compatible with the airport.”

## Appendix D: Economic Development Group Kittitas Information

**From:** Ron Cridlebaugh [mailto:director@kittitasedc.org]  
**Sent:** Wednesday, August 05, 2009 12:55 PM  
**To:** Lisa Grueter  
**Subject:** Kittitas information

Hi Lisa,

I have attached some answers to your questions. Please feel free to call me if you have any other questions. Our Economic Development Strategy will be released on August 20<sup>th</sup> and I will get you a copy once that happens.

Thanks,

Ron Cridlebaugh  
Executive Director  
Economic Development Group of Kittitas County  
Office - 509-962-7244  
Cell - 509-607-1470

### Current Conditions

#### County level

- **What is the County's current employment base (total jobs, jobs by sector – commercial/industrial)?**

As of the end of June we had a workforce of 22,720.

The breakdown is :

Total Private - 9,600

Goods Producing - 1,780

Natural Resources, Mining, and Construction - 1,080

Manufacturing - 700

Services Providing - 14,350

Wholesale Trade - 530

Retail Trade - 1,720

Transportation, Warehousing, and Utilities - 310

Information and Financial Activities - 590

All Other Services - 4,660

Health Services and Social Assistance - 910

Accommodation and Food Services - 2,330

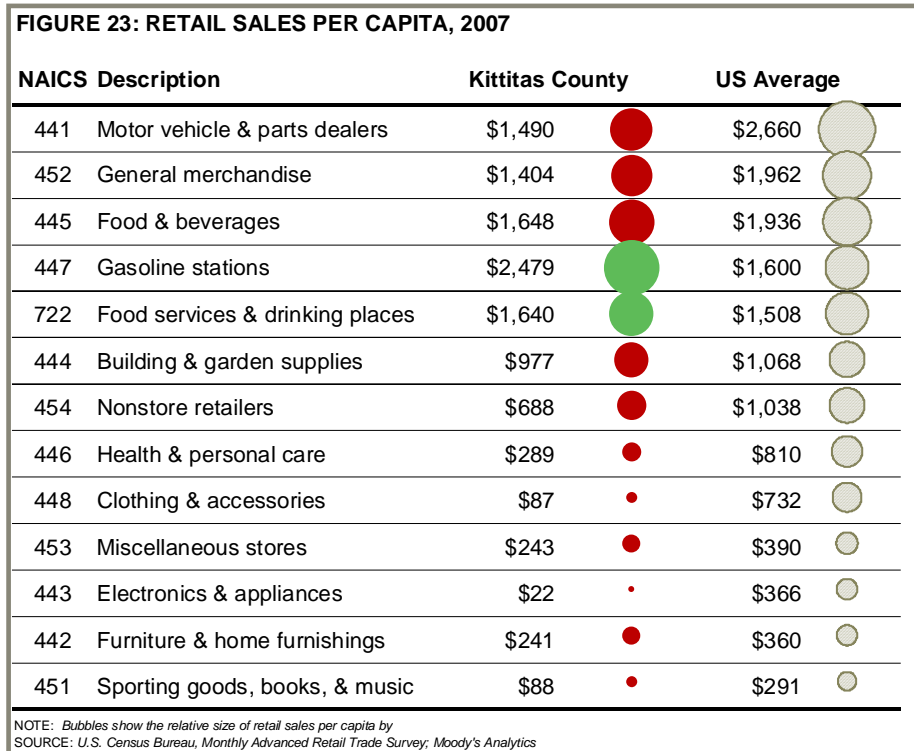
Government - 6,530

Federal Government - 180

State and Local Government - 6,350

State and Local Government Education - 4,670

- What are current commercial/retail conditions in the County? What is the level of sales tax leakage in the County, and in what types of goods?** The chart below gives an example of our retail leakage county wide. In the three studies of retail leakage in Ellensburg the leakage is estimated at between 81 and 330 million a year.



- What are the current industrial/manufacturing conditions in the County?**  
 Like the other areas of the Country our Industrial and manufacturing has contracted due to the current economy.

City of Kittitas

- Is there any current economic information specific to the City of Kittitas? Such as total jobs, economic conditions, etc.?** None that we have.

## Future Conditions

### County level

- **What is the Countywide jobs forecast for commercial/retail jobs?** The remain stable
- **Is there demand for large format retail (e.g. Big Box) near I-90?** Yes
- **What is the Countywide jobs forecast for industrial/manufacturing?** Uncertain. IN these industries our County is well below of national average for counties of comparable size. This could indicate a potential growth area however with the national contraction in these industries we are left with an uncertain future.
- **Given the forecast, is there a surplus or deficit of acres for large format commercial?** I feel we have a deficit for large format commercial however we do have adequate space for retail.
- **Given the forecast, is there a surplus or deficit of acres for industrial/manufacturing businesses?** We have a deficit for Industrial and Manufacturing.

### City of Kittitas

- **Are any economic or employment forecasts made for the City of Kittitas?** None that I am aware of.
- **How much commercial/retail job growth can the City expect?**
- **How much industrial/manufacturing job growth can the City expect?** Given the proper amount and location (between the city and interstate) of available land the city could be positioned for good growth in all sectors.



## APPENDIX E: Land Capacity Analysis

### City of Kittitas Analysis

	Vacant	Ag Land	Ag Con-version 60%	Vacant & Ag Lands for Develop- ment	Lands for Public Purpose; Market Factor; Critical Areas	Develop-able Lands	Equivalent Residential Units	Density Per Housing Unit (2.49)
<b>City Limits</b>								
Rural Residential	0	0	0	0	0	0	0	
Residential 1	13	12	7	20	13	7	28	70
Residential 2	6	0	0	6	4	2	20	50
Downtown Commercial	0	2	1	1	1	0		
Mixed Commercial/Industrial	51	51	31	31	20	11		
Industrial	0	8	5	5	3	2		
<b>UGA</b>								
Rural Residential	0	0	0	0	0	0		
Residential 1	51	43	26	77	50	27	108	269
Residential 2	0	5	3	3	2	1	10	25
Downtown Commercial	0	0	0	0	0	0		
Mixed Commercial/Industrial	0	290	174	174	113	61		
Industrial	0	75	45	45	29	16		
<b>TOTAL</b>	<b>70</b>	<b>486</b>	<b>292</b>	<b>362</b>	<b>235</b>	<b>127</b>	<b>166</b>	<b>413</b>
<b>Plan Numbers</b>	<b>70</b>	<b>486</b>	<b>291</b>	<b>362</b>	<b>199</b>	<b>127</b>	<b>168</b>	<b>417</b>

*Slightly off numbers due to rounding*

Different number

## Land Capacity Analysis Alternative: Pipeline Not Separated

	Vacant		Ag Land		Total Developable		Critical Areas: 11%		ROW: 17%		Public Purpose: 3.5%		Total Deducted Acres		Net Acres		Market Factor: 25%		Net Developable Acres		Dwellings		Population			
<b>City Limits</b>																										
Residential 1	52	11	63	7	11	2	20	43	11	32	128	319														
Residential 2	6	0	6	1	1	0	2	4	1	3	30	75														
Downtown Commercial	0	0	0	0	0	0	0	0	0	0	0	0														
Mixed Commercial/Industrial	1	50	50	6	8	2	16	34	9	26																
Industrial	0	23	23	3	4	1	7	16	4	12																
<b>UGA</b>																										
Residential 1	13	43	55	6	9	2	18	38	9	28	114	283														
Residential 2	0	5	5	1	1	0	2	3	1	3	26	64														
Downtown Commercial	0	0	0	0	0	0	0	0	0	0	0	0														
Mixed Commercial/Industrial	0	267	267	30	45	10	85	182	45	136																
Industrial	0	75	75	8	13	3	24	51	13	39																
<b>TOTAL</b>	<b>71</b>	<b>473</b>	<b>545</b>	<b>61</b>	<b>91</b>	<b>21</b>	<b>173</b>	<b>372</b>	<b>93</b>	<b>279</b>	<b>298</b>	<b>742</b>														

## Land Capacity Analysis: Pipeline Development Added in at End, Option 1 City Proposed UGA

City Limits	Vacant	Ag Land	Total Developable	Critical Areas: 11%	ROW: 17%	Public Purpose: 3.5%	Total Deducted Acres	Net Acres	Market Factor: 25%	Net Developable Acres	Dwellings	Population
Residential 1 <u>(excluding pipeline)</u>	6	11	17	2	3	1	5	11	3	9	34	85
Residential 2	6	0	6	1	1	0	2	4	1	3	30	75
Downtown Commercial	0	0	0	0	0	0	0	0	0	0	0	
Mixed Commercial/Industrial	1	50	50	6	8	2	16	34	9	26		
Industrial	0	23	23	3	4	1	7	16	4	12		
<b>UGA</b>												
Residential 1	13	43	55	6	9	2	18	38	9	28	114	283
Residential 2	0	5	5	1	1	0	2	3	1	3	26	64
Downtown Commercial	0	0	0	0	0	0	0	0	0	0	0	
Mixed Commercial/Industrial	0	267	267	30	45	10	85	182	45	136		
Industrial	0	75	75	8	13	3	24	51	13	39		
<b>TOTAL Capacity</b>	<b>25</b>	<b>473</b>	<b>498</b>	<b>56</b>	<b>84</b>	<b>19</b>	<b>158</b>	<b>340</b>	<b>85</b>	<b>255</b>	<b>204</b>	<b>508</b>
<b>Pipeline Development</b>											<b>244</b>	<b>608</b>
<b>Grand Total</b>											<b>448</b>	<b>1115</b>

## Land Capacity Analysis: Pipeline Development Added in at End, Option 2 Reduce UGA

	Vacant	Ag Land	Total Developable	Critical Areas: 11%	ROW: 17%	Public Purpose: 3.5%	Total Deducted Acres	Net Acres	Market Factor: 25%	Net Developable Acres	Dwellings	Population	
<b>City Limits</b>													
Residential 1 <u>(excluding pipeline)</u>	6	11	17	2	3	3	1	5	11	3	9	34	85
Residential 2	6	0	6	1	1	1	0	2	4	1	3	30	75
Downtown Commercial	0	0	0	0	0	0	0	0	0	0	0	0	
Mixed Commercial/Industrial	1	50	50	6	8	8	2	16	34	9	26		
Industrial	0	23	23	3	4	4	1	7	16	4	12		
<b>UGA</b>													
Residential 1	13	5	17	2	3	3	1	6	12	3	9	36	89
Residential 2	0	5.05	5	1	1	1	0	2	3	1	3	26	64
Downtown Commercial	0	0	0	0	0	0	0	0	0	0	0	0	
Mixed Commercial/Industrial	0	207	207	23	35	35	8	66	141	35	106		
Industrial	0	75	75	8	13	13	3	24	51	13	39		
<b>TOTAL Capacity</b>	<b>25</b>	<b>376</b>	<b>401</b>	<b>45</b>	<b>67</b>	<b>67</b>	<b>15</b>	<b>127</b>	<b>273</b>	<b>68</b>	<b>205</b>	<b>126</b>	<b>314</b>
<b>Pipeline Development</b>													
<b>Grand Total</b>												<b>244</b>	<b>608</b>
												<b>370</b>	<b>921</b>