

CHAPTER FOUR: URBAN GROWTH MANAGEMENT AND ANNEXATION

NOTE: An asterisk () denotes text material adopted by Thurston County as the joint plan with Olympia for the unincorporated part of the Olympia Growth Area. The joint plan also includes Map 4-1--Comprehensive Plan Neighborhoods.*

INTRODUCTION

In 1990 and 1991 the Washington State Legislature passed a series of laws known as the Growth Management Act. The intent of the Growth Management Act is to guide and encourage local governments in assessing their goals, evaluating their community assets, writing comprehensive plans, and implementing those plans through regulations and innovative techniques which encompass their vision for the future.

This update of Olympia's and Thurston County's 1988 comprehensive plans fulfills the requirements of the Growth Management Act (GMA). Olympia and Thurston County had already accomplished some of the requirements of the GMA before beginning this Comprehensive Plan. They had an Urban Growth Boundary Agreement, had provided protection for environmentally sensitive areas, had agreed to County-Wide Planning Policies that provide a framework for this Plan, and had participated in the new Regional Transportation Plan.

The Urban Growth Management

Olympia and the County adopted an urban growth management agreement and a growth area boundary in 1988 identifying where urban growth would occur and where urban service would be provided over 25 years. Outside of this growth area rural densities and services would be maintained.

This urban growth management agreement had been discussed since the late 1970s when Thurston County was beginning to feel the effects of rapid growth, most of it outside of the cities.

The low density suburban sprawl was creating demands for urban services and utilities farther and farther out into the county. Not only was this pattern inefficient, it was threatening the natural resource lands we need for farming and forestry. In addition, the parts of the county that were growing the fastest were aquifer recharge areas for the groundwater on which we all depend for our drinking water.

The Growth Area boundary that was selected largely followed existing zoning boundaries for areas of suburban densities or higher. Although this boundary provided much more capacity than needed for 25-years' growth (the time horizon chosen), "the horse was already out of the barn" by then. Planning decisions and development that took place between the late 1960s and the mid-1980s had already created scattered suburban development over an area more than twice the size of Paris.

The jurisdictions eventually determined that it made sense to phase growth by encouraging growth within a short term boundary over 10 years and within a long term boundary over 25 years. Close-in development could take advantage of the urban utilities and services already in place, or could be provided with those utilities at a reasonable cost. Annexations in these growth areas were to be encouraged.

But annexations also had to avoid the pitfalls of illogical, sprawling boundaries that lead to higher costs of providing utilities, police, and fire protection. Trying to serve such areas can cost a city more in expenses that it raises in taxes from the area. This can lead to years of financial drain. If "islands" of unincorporated land are created by annexations, cities find themselves providing police and fire protection to areas that pay no city taxes.

Finally, an annexation transfers land use authority from the County to the City, resulting in a different set of regulations that may allow different land use patterns. Recognizing the need for carefully coordinated city/county planning, the agreement provided for a joint planning process in these transition areas.

The Urban Growth Management Agreement is attached as Appendix A to this Chapter.

The Urban Growth Management Agreement was followed by other interlocal actions to carry it out. In particular, Thurston County and Olympia, Lacey, and Tumwater signed an agreement in 1992 governing sewer service outside the cities. Under this agreement, all new development in the Short-Term Growth Area must be on sewers or community septic systems, in either case managed by the cities. This has provided a strong incentive for development to locate close to existing sewers. It has also spurred the extension of city services into the Short-Term Growth Area.

Protection of Environmentally Sensitive Areas, the Regional Transportation Plan and the County-Wide Planning Policies

In 1992, Olympia updated its policies and ordinances protecting environmentally sensitive areas. Thurston County did so in 1993. Both participated in the new Regional Transportation Plan that required consideration of land use patterns and transportation systems that would work together to make sure that Plan goals to reduce dependence on autos could be reached.

The City and County were also partners in the adoption of the County-Wide Planning Policies that the GMA requires to ensure that city and county comprehensive plans are consistent and that the expected population growth can be accommodated within the County. The County-Wide Planning Policies are attached as Appendix B to this Chapter.

As a member of the Urban Growth Management Committee, the City agreed to update its

Comprehensive Plan to accommodate its portion of the expected county-wide population.

The county-wide population is expected to grow by 100,000 over the next 20 years. Olympia's portion of that population growth is about 30,000. These additional 30,000 people will live within the current City limits and within the Urban Growth Area identified on Map 4-1.

Future population and housing for each neighborhood are shown in Table IV-1 and Table IV-2, respectively. Map 4-1 shows these neighborhoods.

The new growth in each neighborhood will be accommodated through new development on now vacant land, and, to a lesser extent, through redevelopment. This will consume land. The rate of land consumption is a result of both population growth, and the density of development. Through the urban growth management process, the cities, towns and the county agreed to pursue urban densities in the urban areas, in order to reduce sprawl.

Table IV-3 shows how much land is currently available for development in the Olympia growth area. (Critical Areas are environmentally sensitive and cannot be built on. Likewise, government-owned land is not available for private development.) The tables also show how much land is expected to be consumed by growth by the year 2015. The remaining land could be available for parks, open space, wildlife habitat, future growth, or other community needs.

This Comprehensive Plan is designed to provide for 20 years' worth of future population, roads, parks, water, sewer, et cetera. The Growth Management Act requires this. But at the urban densities the Plan establishes, there is enough room in our Growth Area for much more--probably 40 years' worth. This is like the difference between asking, "How big a house are you planning to build?" versus "How big a house could fit on your property?"

**TABLE IV-1
FUTURE POPULATION: OLYMPIA NEIGHBORHOODS**
(Ordinance #6276, 09/23/03)

Neighborhood	2000	2005	2010	2015	2020	2025
Downtown	2,413	2,075	2,075	2,125	2,150	2,225
West Side	17,049	19,190	21,020	23,410	25,600	27,570
City	15,059	16,770	17,860	18,950	20,050	21,140
UGA	1,990	2,420	3,160	4,460	5,550	6,430
South Side	16,673	19,700	22,300	25,200	27,900	30,200
City	11,948	13,600	14,900	16,200	17,500	18,700
UGA	4,725	6,100	7,400	9,000	10,400	11,500
North Side	14,720	14,975	15,700	16,750	17,850	18,975
City	13,032	12,925	13,300	13,700	14,225	14,850
UGA	1,688	2,050	2,400	3,050	3,625	4,125
Subtotal City:	42,452	45,370	48,135	50,975	53,925	56,915
Subtotal UGA:	8,404	10,570	12,960	16,510	19,575	22,055
TOTAL:	50,855	55,940	61,095	67,485	73,500	78,970

**TABLE IV-2
FUTURE HOUSING: OLYMPIA NEIGHBORHOODS**
(Ordinance #6276, 09/23/03)

Neighborhood	2000	2005	2010	2015	2020	2025
Downtown	1,368	1,410	1,450	1,490	1,540	1,570
West	8,042	9,280	10,340	11,580	12,700	13,630
City	7,224	8,160	8,830	9,470	10,070	10,580
UGA	818	1,120	1,510	2,110	2,630	3,050
South	7,195	8,510	9,750	11,210	12,570	13,660
City	5,282	6,100	6,830	7,620	8,330	8,900
UGA	1,913	2,410	2,920	3,590	4,240	4,760
North	6,552	6,920	7,300	7,880	8,400	8,830
City	5,892	6,030	6,250	6,510	6,750	6,950
UGA	660	890	1,050	1,370	1,650	1,880
Subtotal City:	19,766	21,700	23,360	25,090	26,690	28,000
Subtotal UGA:	3,390	4,420	5,480	7,070	8,520	9,690
TOTAL:	23,156	26,120	28,840	32,160	35,210	37,690

**TABLE IV-3
Analysis of Land Supply vs. Demand, 2000-2025**
(Ordinance #6276, 09/23/03)

Land Use Type	Supply 2000 (acres)	Demand (acres) 2000-		Percent Remaining in	
		2020	2025	2020	2025
Residential	4,192	2,305	2,713	45%	35%
Commercial	1,006		521		48%
Industrial	108		54		50%

Source: *Buildable Lands Report for Thurston County*, TRPC, 2002

There are several options for dealing with this situation:

1. Set low densities so that we have about 20 or 25 years' worth of capacity within the existing Growth Area. This would mean reducing the Plan's densities roughly by half. Areas slated for a maximum of eight per acre would be set at a maximum of four, and so on. One drawback is that we would be guaranteed never to reach transit-compatible densities. We would not achieve our Regional Transportation Plan (RTP) goals. These densities were examined under the RTP's "Auto-Oriented Scenario."

In addition, at the end of 20 years or so, the Growth Area would be essentially full. The next generation would have no choice but to expand the urban area into the rural areas. They would have no opportunities to make their own choices about preserving more park land or wildlife habitats in the urban area.

Finally, this approach would limit home-ownership opportunities for income groups that cannot afford quarter-acre lots. Such lots are becoming increasingly beyond the reach of average families.

2. Set urban densities, but reduce the size of the Growth Area to provide about 20 or 25 years' room for growth. One large reduction was made on the West Side in April 1994, through the joint planning process. Further significant reductions are probably infeasible. The current growth area boundaries reflect existing development patterns and utility services, the product of planning and zoning commitments made by the County--and honored by the City--over the last 15 to 20 years. But if feasible, this approach would allow us to reach transit-compatible densities within 20 years.
3. Set urban densities, with both maximum and minimum requirements, and leave growth area boundaries more or less where they are. At the end of 20 years, we would have filled

in around half of the remaining vacant developable residential land, at transit-compatible densities. About half would still be available for the next generation to make decisions on: more development versus park land, versus wildlife habitat, or whatever they see as needed. This is the preferred approach in this Plan.

Over the years some areas now outside of the City will be annexed into the City. However, any area within the Urban Growth Area outside of the City will be subject to city development standards if it is to be provided with City utilities. In this situation, the City will also collect fees for other types of capital facilities, and will build those facilities to serve that development.

On the Westside of Olympia a joint City/County planning committee had already proposed goals and policies for the areas outside of the City limits but within the Urban Growth Area. Consideration of those recommendations is reflected in this Plan. Joint planning for the Northside and Southside of Olympia was not done separately but instead has been completed through this Comprehensive Plan update process.

Coordination with Adjoining Jurisdictions

The plans of adjoining jurisdictions were considered when developing this plan. The land use designations in this plan are compatible with those of adjoining jurisdictions. Where more intensive development is proposed by this plan than for abutting property in the adjoining jurisdiction, policies call for transitional building sizes and densities that are compatible with the lower intensity development. In addition, some existing residential land use designations were changed to office or industrial designations to complement or provide a better transition with the designations in the adjoining jurisdiction.

The Transportation Chapter is consistent with the Regional Transportation Plan, which is intended to provide the framework for each jurisdiction's transportation plan. If the adjacent jurisdictions' plans are in compliance with the regional plan, then Olympia's plan will also be compatible with theirs.

Likewise, the parks, utilities and public services, capital facilities, and housing chapters are compatible with those of adjoining jurisdictions.

GOALS AND POLICIES

GOAL UGM1*. Provide an urban growth area that is large enough to accommodate the expected population growth through 2015 in a way that will meet the shared community vision expressed in the County-Wide Planning Policies.

POLICIES:

UGM 1.1* Accommodate most of the County's population and employment in urban growth areas in ways that ensure livability, preservation of environmental quality, open space retention, varied and affordable housing, high quality urban services at least cost, and an orderly transition from County to City jurisdiction.

UGM 1.2 Plan with Thurston County for the unincorporated portions of the urban growth area.

UGM 1.3* Establish a long-term urban growth boundary, consistent with the County-Wide Planning Policies, that provides sufficient land to accommodate the Olympia Growth Area's projected growth for the next 20 years

(see Map 4-1). Review the long-term growth boundary at least every 10 years relative to the current Office of Financial Management 20-year population forecast and make adjustments as warranted to accommodate the projected growth.

UGM 1.4*

Phase urban-density land uses into the unincorporated urban growth area in an organized, logical, and timely manner. Use the Short-Term Urban Growth Boundary (see Map 4-1) as a means to contain and concentrate urban development and enable cost-effective provision of utilities and services.

a. Establish a Short-Term Urban Growth Boundary sufficient to accommodate the growth projected for the next decade. Allow public sewer and water to be extended, consistent with the city's annexation policy, to serve proposed development within this area. Only allow utility extensions beyond this growth boundary if they meet the conditions specified in the Thurston County Sewerage General Plan, UGM Agreement, CWPP, and interlocal sewer agreement.

b. The Short-Term Urban Growth Boundary may be jointly modified by the city and county.

GOAL UGM2*. Support annexations which create logical boundaries and reasonable service areas within the urban growth area, including annexation of unincorporated islands within the city limits.

POLICIES:

UGM 2.1* Areas proposed for annexation should be logical extensions of the city. As much as possible, the City should avoid annexations which would create "islands" of unincorporated land within the city limits. The following policies shall apply to the size of an annexation and the location of boundaries.

- a. The Council will decide whether to require increases in the size of proposed annexations on a case-by-case basis.
- b. Where staff has recommended expansion of a proposed annexation prior to the first meeting with property owners required under RCW 35A.14.120. The Council will consider whether a requirement that the initiator expand the proposed annexation up to the maximum allowed under State law would meet any of the following criteria:

- (1) The expanded annexation would create logical boundaries and service areas; or

(2) Without the proposed annexation the area to be added would not likely be annexed within the foreseeable future; or

(3) The area to be added would eliminate or reduce an unincorporated County island.

c. If based on the work session or other knowledge or information the Council concludes that any of the criteria applies to a specific annexation proposal, it will require the initiator to expand the boundaries of the proposed annexation to the extent allowed by law and deemed appropriate by the Council.

UGM 2.2 The City should encourage and assist property owners in existing unincorporated "islands" to annex to the city.

UGM 2.3* Property owners requesting City utilities should be required to annex or sign a binding agreement to annex when requested by the City.

UGM 2.4* Readily-identifiable boundaries, such as lakes, rivers, streams, railroads, and highways, should be used for annexations wherever possible. Streets and roads are generally less suitable, but may be used where appropriate.

GOAL UGM3. Annex only areas where the City has the capacity to provide services.

POLICIES:

- UGM 3.1 The City should evaluate all annexations on the basis of their short- and long-term community impacts and benefits.
- UGM 3.2 If the annexation includes proposed development, consideration of the proposal should include an analysis of the short- and long-term impacts on the neighborhood and the city in terms of all services required, including water, sewer, roads, schools, open space, police and fire protection, garbage collection, and other services.
- UGM 3.3 Applicants for annexation should pay their fair share for any utility and service extension and development, as well as their fair share of capital facilities needed to provide these services.
- UGM 3.4 The City should require that all fees and charges be paid or payment arrangements made prior to annexation. All agreements should also pertain to any subsequent purchasers and be recorded with the Thurston County Auditor to ensure they are binding upon the properties to be annexed.
- UGM 3.5 Utilities, roads, and services in annexing areas should be built to city standards.
- UGM 3.6 Property owners within an annexing area may be required to assume a share of the City's bonded indebtedness.

GOAL UGM4*. Support the need for joint and direct growth management planning and to support annexation requests which best meet this Comprehensive Plan's development goals and policies.

POLICIES:

- UGM 4.1 The City should include policies within its comprehensive plans and, in cooperation with the County, prepare land use designations for areas immediately outside its boundaries to ensure that planned land uses are compatible with adopted City policies and development standards at the time of annexation.
- UGM 4.2* Prior to any annexation, the City should confer with affected special districts and other jurisdictions to assess the impact of annexation. Where possible, boundaries should be mutually resolved by the jurisdictions involved before any final action is taken on a formal annexation petition.
- UGM 4.3 In the absence of, or until the development of, its own adopted policies and/or regulations, the City should recognize the interests of the residents of the area and, in the absence of specific policies and standards, honor the intent of adopted County plans and ordinances.
- UGM 4.4 Annexations for the sole purpose of obtaining approval of uses not allowed by County regulations should be discouraged unless the proposal is consistent with an adopted joint plan and with City standards and policies

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