

State of Washington

**GROWTH PLANNING HEARINGS BOARD  
FOR EASTERN WASHINGTON**

**SAVE OUR BUTTE SAVE OUR )  
BASIN SOCIETY, )**

Petitioner ) **Case No. 94-1-0001**

)  
v. ) **FINAL DECISION**

)  
**AND ORDER )  
CHELAN COUNTY, )**

)  
Respondent )

)  
**SNOWCREEK DEVELOPMENT INC., )**

)  
Intervenor )

)  
**CITY OF CHELAN, )**

)  
Intervenor )

On January 5, 1994, Save Our Butte Save Our Basin Society (**SOBS**), by and through its attorney David A. Bricklin, filed a petition for review with the Eastern Washington Growth Planning Hearings Board. The Petition challenged an amendment by the Chelan County Board of County Commissioners to the Interim Urban Growth Area (**IUGA**) for the City of Chelan adopted on November 1, 1993 and alleged that expansion of the IUGA to include property known as "Chelan Butte" was inconsistent with the requirements of the Growth Management Act (**GMA or the Act**) and the State Environmental Policy Act (**SEPA**).

On January 27, 1994, pursuant to Stipulation and Order Regarding Intervention, Snow Creek Development Inc. was granted intervenor status and on January 28, 1994, the City of Chelan, pursuant to Stipulation and Order, was granted intervenor status.

On February 2, 1994, the Board held a prehearing conference at the Growth Planning Hearings Board office in Yakima, Washington.

On February 4, 1994, the Board issued a Prehearing Order setting forth the Legal Issues to be considered, the Motions and Briefing Schedule, and the date for the Hearing on the Merits.

On February 18, 1994, Respondent County filed a Motion, Affidavit and Order for Leave to Amend the Index of the Record. This was stipulated to by the other parties and the Board issued an Order granting the Amendment on February 24, 1994.

On February 28, 1994, Respondent County filed a Motion for Dismissal for Lack of Standing along with accompanying Memorandum of Authorities in Support of Motion. On March 2, 1994, the City of Chelan filed a Statement in Support of Chelan County's Motion to Dismiss for Lack of Standing. On March 9, 1994, Snow Creek Development, Inc., filed a Statement in Support of Chelan County's Motion to Dismiss for Lack of Standing. On March 11, 1994, Petitioner filed a response to Motion to Dismiss for Lack of Standing. On March 17, 1994, Snow Creek Development, Inc., filed a Rebuttal to Petitioner's Response to Chelan County's Motion to Dismiss for Lack of Standing. On March 18, 1994, Respondent County filed its Memorandum of Authorities in Reply to Petitioner's Response to Motion to Dismiss for Lack of Standing.

On February 28, 1994, Petitioner filed a Motion to Supplement the Record with Exhibits NN and OO. On March 10, 1994, Snow Creek Development, Inc. filed a response to Petitioner's Motion to Supplement the Record and on March 17, 1994, Petitioner filed a Reply Brief in Support of Motion to Supplement the Record.

On March 18, 1994, a Hearing on the Motions was held at the Board's office in Yakima. On March 24, 1994, the Board issued an Order on Motions.

On May 12, 1994, the Board held a Hearing on the Merits of the Petition for Review at the Chelan City Hall in Chelan, Washington. Present were the three members of the Board, Graham Tollefson, Presiding Officer; Judy Wall and Tom Williams; Barbara Hill, Confidential Secretary; David Bricklin, Attorney for Petitioner Save Our Butte Save Our Basin Society; Susan Hinkle, Deputy Prosecuting Attorney for Respondent Chelan County; Jay Derr and Shelley Kneip, Attorneys for Intervenor Snowcreek Development Inc., and Charles Zimmerman, Attorney for the City of Chelan.. No witnesses testified in this matter.

On June 27, 1994, pursuant to WAC 242-02-540, the Board requested as supplemental evidence the acreage figures for the areas delineated on the map that is designated as Exhibit PP. These figures were derived directly from this map by Respondent and are described as Exhibit PP (1). All parties were requested to notify the Board if they objected to the inclusion of this evidence. None did.

### **FINDINGS OF FACT**

1. The Board denied Respondent's Motion to Dismiss for Lack of Standing. Save Our Butte Save our Basin Society has standing in this case. Board Order on Motion issued March 24,1994.
2. Petitioner's Motion to Supplement the Index of the Record with Exhibits NN and OO is admitted in part and denied in part. Exhibit NN shall not be admitted to the index of the record. Exhibit OO shall be admitted to the index of the record. Board Order on Motions issued March 24, 1994.
3. During the hearing, Exhibit CC was color coded to identify both the current city limits and the areas included in both the Interim Urban Growth Area designations and entered as Exhibit PP. The October 5, 1993 IUGA designation included 1,558 acres outside of the city limits and the November 1, 1993 amended designation added an additional2, 661 acres known as the "Chelan Butte" property. Exhibit PP (1).
4. On October 5, 1993, the Chelan County Board of Commissioners adopted Resolution 93-122, which established an Interim Urban Growth Boundary for the City of Chelan. In Addition to the property within the current city limits, it added land to the east and to the northwest, but it excluded" Chelan Butte". Exhibit U.
5. On November 1, 1993, the Chelan County Board of Commissioners adopted Resolution 93-143, an amendment to the Interim Urban Growth Area for the City of Chelan established in Resolution 93-122, to include "Chelan Butte" within the Interim Urban

Growth Area.

6. The Washington State Office of Financial Management (OFM) in its "Washington State County Population Projections, 1990-2010, 2012" forecast Chelan County's population for the year 2012 at 67,711 people. The tables show the projected population for the City of Chelan in 2012 to be 6,434 people. Exhibit OO. [\[FN1\]](#)

7. None of the parties has contested the projected population figure for the City of Chelan. Exhibit J. The Board accepts Exhibit J as the guiding calculation for the IUGA.

*Chelan Urban Growth Area Calculations*

Chelan Division 2012 Forecast 6434

Chelan City % division population 1970-90 (64.8%) 4169

Estimate for 2013 at 2% increase over 2012 4253

2013 population forecast 4253

1993 population 3150

Difference 1103

Population increase 1103

Chelan Persons/Housing Unit (2.3165) 476 units

476 housing units at 21,500 sq. ft. average lot size 234.9 acres

20% not available for use during the planning period 46.9 acres

12% for roads and utilities 28.2 acres

310 acres

20% for safety factor 62 acres

TOTAL 372 acres

8. Undeveloped land within the City of Chelan corporate limits in 1993 represented approximately 30% of 3,200 acres or 960 acres. This figure does not include additional land included in the Interim Urban Growth Area designation in Resolution 93-122 on October 5, 1993 or the "Chelan Butte" property added in the November 1, 1993 amended resolution. See Exhibit HH at 10 and Exhibit GG at II-6.

9. The 1993 Legislature enacted ESHB 1761 amending the Act to require each county planning under the Act to adopt development regulations designating Interim Urban Growth Areas. This requirement is codified at RCW 36.70A.110(4).

10. The Board concurs with the following statements made by the Department of Community Development, Growth Management Division, in a memorandum dated August 16, 1993 stating that:

- UGAs are areas where urban growth occurs; outside UGAs growth can occur only if it is not urban in nature [RCW36.70A.110 (1)]. "Interim" does not change the definition of UGAs, except to recognize that the boundary is not necessarily final.
- ESHB 1761's interim UGA requirement was passed in part due to concern about the continuation of urban sprawl during the year or more extension local governments have received to prepare their comprehensive plan... The intent of the new law is that the line have meaning.
- Public notice, a public hearing, and compliance with the State Environmental Policy Act are required. This indicates that designating an interim UGA is more than drawing a line; it must be backed up and supported during the interim by development regulations.

Exhibit C.

## **Discussion of the Issues and Conclusions**

### **Issue No. 1**

**Whether petitioner Save Our Butte/Save Our Basin Society has standing before the Growth Planning Hearings Board?**

*Conclusion No. 1.* The Board denied Respondent County's Motion for Dismissal for Lack of Standing in its Order on Motions of March 24, 1994. Therefore, Issue No. 1 is resolved.

## Issue No. 2.

**Whether Chelan County was guided by the Growth Management Act planning goals of RCW 36.70A.020 in setting the Interim Urban Growth Area for the City of Chelan regarding the property that is the subject of this petition?**

*Position of Petitioner:* Petitioner alleges that Chelan County was not guided by the planning goals of RCW36.70A.020 when it amended the Interim Urban Growth Area for the City of Chelan to include "Chelan Butte". Petitioner states that the requirement that the planning goals be used "to guide" the development and adoption of Interim Urban Growth Areas has both a procedural and a substantive aspect. Procedurally, this means that the county legislative authority must "consider" the planning goals as they develop and adopt the Interim Urban Growth Area. Citing Gut Schmidt v. City of Mercer Island, CPSGPHB Case No. 92-3-0006 at 88-90. Additionally, the local government must be able to demonstrate that the substance of their plans and regulations is "consistent with" the planning goals. Id. at 90. RCW 36.70A.290. Petitioner alleges that Chelan County did neither when it amended the City of Chelan's Interim Urban Growth Area, and, therefore, the amendment should be invalidated.

*Position of Respondent:* Respondent maintains that the relevant goals of RCW36.70A.020 were considered by both the City of Chelan and the Chelan County Board of Commissioners. Reference is made to the record showing discussion of various planning goals. The goal of economic development in regard to the Snowcreek project, in particular was mentioned.

*Position of Intervenor Snowcreek:* Snowcreek argues that Chelan County was guided by the planning goals of RCW 36.70A.020 in setting the Interim Urban Growth Boundary for the City of Chelan. Both the City and the County considered the relevant goals and the record adequately demonstrates this. They allege that the Petitioner has not shown by a preponderance of the evidence that the County failed to consider the planning goals in setting the Interim Urban Growth Area.

*Position of Intervenor City of Chelan:* The City did not address this issue.

*Petitioner's Reply Brief :* None of the respondents dispute that Interim Urban Growth Areas must be "guided by" the GMA's planning goals. Nor do they dispute that this involves both a procedural and substantive component. Procedurally, the County must consider the planning goals; substantively, the IUGA must be consistent with the goals. Petitioner maintains that the record fails to show compliance with the planning goals, either procedurally or substantively.

## *Discussion*

### *The City of Chelan and the IUGA area.*

It will be helpful to set the stage with a brief description of the City of Chelan and the areas included in both the initial IUGA<sup>[FN2]</sup> and amended IUGA designations. There are approximately 3200 acres within the corporate limits of the City of Chelan, of which approximately 960 are currently undeveloped. Exhibit GG at II-6. The total amount of land required to meet the population growth needs for the City of Chelan for the next twenty years was estimated by the County Planning Staff to be 372 acres. Exhibit J. None of the parties has contested this projected acreage figure. The Interim Urban Growth Area adopted on October 5, 1994, added over 1500 acres to the east and the northwest. In the hearing prior to the adoption of the IUGA on October 5th, the Commissioners questioned the size of the proposed designation, particularly the inclusion of the Isenhart Irrigation District property. Exhibit LL. The reason for amending the IUGA on November 1, 1993, was to aid the development of the Snowcreek project. Exhibit V(1). While the Snowcreek project involves 900 acres, the IUGA was expanded to include nearly three times this amount.

The Board will discuss this in greater depth under Issue No. 3, but we mention it here to establish context. The task at hand was to adopt an Interim Urban Growth Boundary; the planning goals must be viewed in this light. For example, discussion that the Snowcreek project will be developed as a planned unit development and thus reduce sprawl may meet the procedural requirement to "consider" Planning Goal No. 2. It is inadequate, however, where the Snowcreek development covers only one-third of the area added by the amendment and there was no discussion concerning the need for additional land.

### *Procedural and Substantive Components of Compliance with the Planning Goals.*

The Board holds that there are both procedural and substantive aspects to compliance with the planning goals of RCW 36.70A.020. See *Association of Rural Residents v. Kitsap County*, CPSGPHB 93-3-0010, at 23 and 27. Procedurally, the county legislative authority must "consider" these goals when they adopt Interim Urban Growth Boundaries. What does "consider" mean procedurally? The Board agrees with the Central Puget Sound Hearings Board that there is no requirement for a "tangible procedural demonstration" nor will the Board attempt to read the collective minds of the County's elected officials or staff to determine whether they considered the GMA's planning goals when adopting development regulations that designated Interim Urban Growth Areas. Instead, the ultimate test of consideration of the goals remains whether the County's actions were *substantively* guided by the goals--whether their actions are consistent with the planning goals. *Id.* at 25.

While this approach does not require written findings of consideration or a record that carefully

considers the planning goals from a procedural view, such finding and/or valid consideration in the record of the relevant goals is useful, if not, essential to making a determination as to whether the County's adoption of the Interim Urban Growth Area was substantively guided by the planning goals. The advantage of this approach is that it deals with the heart of the question, the substantive element, instead of a possible pro forma procedural exercise.

*Substantive Compliance with RCW 36.70A.020.*

The Board has extensively reviewed the record and found consideration of the planning goals in the context of the amendment to Interim Urban Growth Area for the City of Chelan to be wholly inadequate. The Board finds that Chelan County was not guided by the planning goals of RCW 36.70A.020 in amending the Interim Urban Growth Area for the City of Chelan to include "Chelan Butte". This finding in no way creates an inference as to whether or not the Snowcreek project should or should not be included in the Interim Urban Growth Boundary for the City of Chelan. The record before the Board simply does not support the amendment; there is no justification, assuming that the goal of economic development would allow the development, for inclusion of the acreage in the amendment that is not part of the proposed development. Beyond that there is no attempt to harmonize the planning goals. Without doubt, there is an inherent tension between some of the planning goals. All of the goals must be given effect to the extent possible. Thus, *Planning Goal No.5, economic development*, may rightly be given high priority by a community. However, this does not sanction sprawl where there is no showing that both goals cannot be achieved. *Planning Goal No. 1, Urban growth*, was discussed in the context of the City's ability to provide urban services to the proposed development, but the record is silent regarding its ability to provide these services in an efficient manner, a further requirement of this goal. *Planning Goal No. 2, Reduce sprawl*, was not considered at the Commissioner's hearing on the amendment. The discussion revolved around the need to include the Snowcreek project within the IUGA. There was no discussion regarding the size of the amendment area.

*Planning Goal No. 5, Economic development*, is conditioned by the requirement of Planning Goal No. 1 that it be "...within the capabilities of the state's natural resources, public services, and public facilities." Similarly, Planning Goal No. 12 requires a showing that public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards. Snowcreek points to the City of Chelan's comprehensive water system plan which encompasses their proposed development as meeting this requirement. This plan, however, states that the City is currently withdrawing water in excess of its present right. While the City has preliminary permits for additional water, it will need permits for yet an additional 1000 acre-foot right just to meet its projected twenty-year population growth requirement. This plan does not consider additional withdrawals necessitated by a project like Snowcreek. Exhibit at II--12. Looking at Lake Chelan, it is hard to believe that

there is not sufficient water for the City's future requirements, but the area is arid and obtaining new water rights in today's environment, even for municipal users, is far from assured. The Board is not saying that "every T must be crossed and every I dotted" to meet this requirement, but a good faith valid discussion must take place.[\[FN3\]](#)

### *Conclusion No. 2.*

Having reviewed the record and the parties' briefs, the Board finds that Petitioner has shown by a preponderance of the evidence that Chelan County was not guided by the Growth Management Act planning goals of RCW 36.70A.020 in setting the Interim Urban Growth Area for the City of Chelan regarding the property that is the subject of this petition.

### *Issue No. 3.*

## **Whether Chelan County's amendment of its Interim Urban Growth Area on November 1, 1993 was consistent with the requirements of RCW 36.70A.110?**

*Petitioner's position:* Petitioner maintains that the amended Interim Urban Growth Area was inconsistent with the requirements of RCW 36.70A.110. The County failed to comply with the mandate to establish an Interim Urban Growth Area "based upon" the Office of Financial Management's population forecast. While the County calculated the number of acres that would be necessary to accommodate the twenty-year population forecast for the City, it failed to determine whether the IUGA as adopted correlated with the amount of acreage required. Further, substantively, the IUGA as adopted was far in excess of the County's determination of need.

*Respondent's position:* Respondent maintains that the amended Interim Urban Growth Area was consistent with the requirements of RCW 36.70A.110. The land in question was "adjacent to an area characterized by urban growth" as required by RCW 36.70A.110, and land in excess of the amount necessary to accommodate the projected population growth is not precluded from inclusion. The City and the County cooperated in reaching an agreement to modify the IUGA as encouraged by the Act and that the result better harmonized the multiple goals of RCW 36.70A.020.

*Intervenor Snowcreek's position:* Snowcreek maintains that the County's amendment was consistent with the GMA and that Petitioners cannot overcome the presumption of validity given to the County's determination. They argue that the amendment meets the requirements of RCW 36.70A.110, because "Chelan Butte" is "adjacent to areas characterized by urban growth", the designated area within an Interim Urban Growth Area may contain more land than the "bare minimum" necessary to accommodate the OFM population projections, and that the record shows careful consideration was given by the decision makers to "appropriate factors".

*Intervenor City of Chelan's position* : The City of Chelan adopts Snowcreek's arguments and further suggests that RCW 36.70A.110(2) mandates only the minimum amount of land that must be designated within the Urban Growth Area, rather than a maximum amount. Additionally, since both services for the proposed development logically could best be provided by the City and that a development of this size would significantly impact the City, it is important that the City control the development. This would be accomplished through annexation which requires inclusion in the Urban Growth Area. The City believes that as a good steward, it can properly manage its future development.

*Petitioner's reply brief*: Petitioner maintains that it is undisputed that there is sufficient undeveloped land within the City limits to accommodate forecast growth for the next 20 years and that the original IUGA contained significant acreage in excess of this. The amendment added substantially to this total. The heart of petitioner's argument is that RCW 36.70A.110 creates an upper limit that must be based upon the OFM population forecast, not merely a "minimum".

### *Discussion*

At the outset, it is useful to understand that this petition challenged only the November 1, 1993 amendment by the Chelan Board of County Commissioners to the Interim Urban Growth Area for the City of Chelan established in Resolution 93-122 which added the area known as "Chelan Butte" to the Interim Urban Growth Area. Thus the question as to whether the original designation under Resolution 93-122 complied with RCW 36.70A.110 is not before this Board.

RCW 36.70A.110 requires that counties, in consultation with the cities involved, establish Interim Urban Growth Areas based upon population projections submitted to planning counties by the Office of Financial Management and distributed within the various jurisdictions of the county by means devised by the county. In this case the County adopted an Interim Urban Growth Area for the City of Chelan on October 5, 1993 which included land within the Chelan City limits as well as adjoining land to the east and to the northwest. The October 5, 1993 designation added over 1500 acres of non-urban land to the 3200 acres in the city limits. Since undeveloped land in the city was approximately 960 acres, the total undeveloped land in the October 5, 1993 Interim Urban Growth Area equaled approximately 2500 acres. [\[FN4\]](#) Exhibit HH at 10, Exhibit GG at II-6 and Exhibit PP (1). The November 1, 1993 amendment added 2661 additional undeveloped acres of which about 900 is held by Snowcreek Development. Exhibit M Mand Exhibit PP (1).

The County has determined that the City of Chelan's twenty-year population forecast derived from the OFM population forecast for the County will result a population increase of 1103 people over this time period, resulting in the need for 476 additional housing units on 372 acres. Exhibit

J. Significantly none of the parties has disputed these figures. From the fact that the Snowcreek development alone envisions up to 1500 additional housing units, it would seem that the City views its growth potential differently than the way the County views it. Exhibit LL, Testimony by Larry Stockton. The Board has reviewed the County's urban growth area formula and calculations for the City of Chelan and finds their determination rational, appropriate and within the discretion of the Board of County Commissioners. See Exhibit J.

Using this formula and calculation, the area included in the amendment adding the "Chelan Butte" property was clearly in excess of the twenty-year calculated growth projection. While the county developed a reasonable formula, it failed to apply it to the amendment.

The legal crux of this issue is whether the "based upon" language of RCW 36.70A.110 requires an upper boundary to an Interim Urban Growth Area's size or does it impose only a "minimum" requirement? The Board finds that an upper boundary is imposed for the following reasons. First, if the "based upon" language established only a "minimum", one of the underlying principles of the GMA, containment of urban sprawl, would be undermined. See RCW 36.70A.020(1) and (2). Second, if Counties were free to use population forecasts in excess of OFM's forecast, there would be little need for the specific appeal right granted to dispute the OFM's forecast. See RCW36.70A.280 (1)(b). Third, the GMA allows "new fully contained communities" to be established outside of urban growth areas. See RCW 36.70A.350. But if a county chooses to do so, it must "reserve a portion of the twenty-year population projection and offset the urban growth area accordingly for allocation to new fully contained communities." RCW 36.70A.350 (2). If the OFM's twenty-year population projections were just minimums, there would be no need to "offset" additional population to be housed in new fully contained communities. Under questioning at the hearing on the merits of this petition, each of the Respondents agreed that there was an upper boundary.

The Central Puget Sound Growth Planning Hearing Board has found, similarly, that the OFM's twenty-year population forecast creates both a "minimum" and a "maximum" boundary that controls the size of interim urban growth areas. See CPSGPHB, 93-3-0010.

At the October 5, 1993 hearing, there was limited discussion regarding the size of the interim urban growth area relative to expected growth. The County Commissioners asked a variety of questions: about water rights, how the required service improvements would be "paid for", and the size of the interim urban growth area. They asked if the Isenhart Irrigation District should be removed from the proposed designation, and, finally, they concluded that it was inappropriate to include "Chelan Butte" in the designation. [\[FN5\]](#) Exhibit LL.

Subsequently at the hearing for the amendment discussion centered on the belief that Snowcreek development could not go forward if it was not in the urban growth area. The record fails to show

why the amendment added three times the area proposed for this development or, for that matter, why the development was the size proposed. The additional 1700 acres is in itself 4 times larger than the area required for population growth. Excluding the proposed development, undeveloped land within the urban growth area is eleven times larger than the area shown to be required. Some of this land surely is undevelopable, and as such should not be included in the calculation, but it is worth noting that the County's figure included two safety factors of 20 percent each. See Exhibit J. No rationale has been presented to justify this discrepancy.

The respondents argue that the City of Chelan Comprehensive Water System Plan is a valid basis for the IUGA designation. The Act requires designation of an IUGA "based upon" the expected population growth for the next twenty-year period. The City's service plans are independent of the designation. The City is free to plan for service levels as it chooses, but its planning choices are separate and independent from its obligation to comply with RCW 36.70A.110.

A preponderance of the evidence shows that the amendment was not based on the population growth figures for the City of Chelan.

*Conclusion No. 3.*

For these reasons, the Board finds that the amendment is not consistent with the requirements of RCW 36.70A.110 and that Resolution 93-143 of Chelan County is not in compliance with RCW 36.70A.110.

*Issue No. 4.*

**Did the County comply with RCW 36.70A.110 in consulting with the City of Chelan and working toward a cooperative designation of the Interim Urban Growth Area for the City?**

*Conclusion No. 4.* Petitioner did not brief this question and it was stipulated this issue was withdrawn.

*Issue No. 5.*

**Whether the area added by the amendment to the Interim Urban Growth Area is an area characterized by urban growth or adjacent to an area characterized by urban growth as required by RCW 36.70A.110(1) and (3)?**

*Discussion*

RCW 36.70A.110(1) states that an urban growth area may include territory that is located outside

of a city only if such territory already is characterized by urban growth or is adjacent to territory already characterized by urban growth.

RCW 36.70A.110(3) states that urban growth should be located first in areas already characterized by urban growth that have existing public facilities and service capacities to serve such development and second, in areas already characterized by urban growth that will be served 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.

The relevant section for consideration is RCW36.70A.110(1). As to the first question, whether the area of the amendment is an area "characterized by urban growth", there is no showing that this is the case. Thus the relevant question becomes, is this an area "adjacent to territory already characterized by urban growth." While the area in the amendment abuts the city limits, the record is insufficient to make this determination. Respondents have cited two exhibits, V and AA, neither of which show the nature of the development near the relevant City limits. While this area may or may not be developed, the Board is aware of other communities which have extensive undeveloped areas within their corporate limits and, therefore, is unwilling to say that simply abutting a city limit is sufficient to make this finding. [\[FN6\]](#)

*Conclusion No. 5:* The Board finds:

- 1) That the area added by the amendment to the Interim Urban Growth Area is not an area characterized by urban growth..
- 2) The record in this case is insufficient to determine whether the area added by the amendment is adjacent to an area characterized by urban growth.

*Issue No. 6.*

**Can an Interim Urban Growth Area include lands to accommodate recreational opportunities and vacation residences in addition to the area necessary to accommodate the twenty-year permanent population projection?**

*Discussion*

The Office of Financial Management, pursuant to RCW 43.62.035, prepares twenty--year population projections as required by RCW 36.70A.110 for each county planning under the Act. These projections were developed within the framework of a state population forecast, and state forecasts of births, deaths, and migration. They are best viewed as medium, or "middle-series" projections, i.e. projections that are in the middle of possible growth assumptions. See Office of

Financial Management Washington State County Population Projections 1990-2010, 2012, January 31, 1992, at 1. [\[FN7\]](#) Having reviewed this document and RCW 43.62.035, the Board finds that the term "population" is unclear. The Board will, therefore, assume that "population" for the purpose of the OFM's twenty-year growth management population projection means permanent or year-around population. [\[FN8\]](#). Under this assumption, the need for recreation or vacation homes is not included in the OFM population projections.

RCW 36.70A.110(2) provides the basis for determining what lands may be included within an urban growth area. This section provides as follows:

*"Based upon the population growth management planning population projection made for the county by the office of financial management, the urban growth areas in the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county for the succeeding twenty-year period. (Emphasis added)*

Further "urban growth shall be encouraged within urban growth areas" and outside of an urban growth area, only non-urban growth can occur. RCW 36.70A.110(1). The Act does not prohibit the reasonable inclusion of land over and above the acreage necessary to accommodate the twenty-year growth projection. "Each urban growth area shall permit urban densities and shall include greenbelts and open space areas." RCW 36.70A.110(2).

WAC 365-195-335(3)(b) provides as follows:

*"...the urban growth area should represent the physical area within which that jurisdiction's vision of urban development can be realized over the next twenty years. The urban growth area should be based on densities selected to promote goals of the act--densities which accommodate urban growth served by adequate public facilities and discourage sprawl."*

Each community is both given discretion and encouraged to create its own "vision of urban development". This "community vision" is constrained in two ways. First, a community must provide adequate public facilities and services. Implementation of its plan may not decrease current service levels below locally established minimum standards. RCW 36.70A.020(12). Secondly, "sprawl" is to be discouraged. This is the essence of the growth management process--a community taking responsibility for its future, developing a consensus for its future development and checking to ensure its plan is feasible.

There are a variety of factors that each community should consider and evaluate in the process of designating an urban growth area. The precise set of factors will depend upon the peculiar circumstances of each community. For example, the City of Chelan has an established recreation

or vacation home industry. The City of Chelan should consider the needs of this factor, make an informed judgment as to its reasonable projected acreage requirement and incorporate this figure in its urban growth area calculation. Each jurisdiction must make a valid, good faith effort to determine the need for reasonable modifying factors. Similarly, a community may site additional recreational facilities, be they science centers, soccer fields, golf courses or whatever, within an urban growth area, provided the needs of these facilities are discussed and validly considered, and further provided that it can continue to deliver adequate service levels community-wide. The area required for these facilities is easily quantified.

WAC 365-195-335(d)(e) and (f) provide considerations and a process of analysis for determination of urban growth areas that are useful. In addition to factors not reflected in the OFM growth population projection, such as land required for industrial development or seasonal housing for those working in agriculture, there are physical and land use constraints that should be considered. If some of the land constitutes a critical area, this land should be factored into the calculation. The record shows that some of this land is too steep to develop.

The following are some additional factors that may be considered: the ability to finance the services needed to be provided in the area; the effect on property values and the impact thereof on the ability of residents of all economic strata to obtain housing they can afford; and whether the contemplated growth can be achieved within the capacity of available land and water resources and without environmental degradation.

After reasonable use factors, as discussed above, are considered, evaluated and quantified, a jurisdiction can then add the acreage needed for these factors to the acreage required to accommodate projected growth for the twenty-year period to determine the total area to be included in its urban growth area.. "The community's proposed urban growth area should encompass a geographic area which *matches* the amount of land necessary to accommodate likely growth." [WAC 365-195-335(3)(e)(v)]. Thus, the size of an urban growth area should equal the area required under the OFM growth projection plus the area required by legitimate factors, reasonably evaluated and quantified, needed to realize a jurisdiction's "vision of urban development" that can be realized over the next twenty-years. This definition allows a jurisdiction to achieve its legitimate needs, while prohibiting sprawl. The Board holds that this is the meaning of RCW 36.70A.110(2).[\[FN9\]](#)

There can be no benchmark for the level of evaluation required. It will, of necessity, vary with the size of the community, the resources available, and the complexity of the community's "vision". The determination must be the result of a valid process. The relevant issues must be carefully considered and reviewed and the record should support the conclusion. In this case, the words "affordable housing" and "economic development" were used to justify a designation without further discussion. There was no attempt to determine if "housing" would, in fact, be more

affordable by adopting the amendment. Similarly, the Snowcreek project mayor may not be good for the community's economic development, but the record before us fails totally to provide detail on the project. It shows little, if anything, more than that the developers hold 900 acres, that there is a possibility that it will use 1500 water service "hook-up" and that it could be developed as a planned unit development. This record is insufficient to demonstrate a good faith evaluation.

[\[FN10\]](#)

The Board finds that the Interim Urban Growth Area can include lands to accommodate recreational opportunities and vacation residences in addition to the area necessary to accommodate the twenty-year permanent population projection provided that the requirements of the Act are upheld.

*Issue No. 7.*

**Whether Chelan County complied with the requirements of the State Environmental Policy Act when it amended its Interim Urban Growth Area on November 1, 1993?**

*Conclusion No. 7.* Petitioner did not brief this question and it was stipulated this issue was withdrawn.

*Issue No. 8.*

**Did the City of Chelan and Chelan County comply with the public participation, hearing, and notice provisions of the Growth Management Act in adopting the amendment to the Interim Urban Growth Area for the City of Chelan?**

*Conclusion No. 8.* Petitioner did not brief this question and it was stipulated this issue was withdrawn.

NOW, THEREFORE, having reviewed the file and exhibits in this case, considered the briefs submitted by the parties, and having entered the foregoing Findings of Fact and Conclusions, the Board makes the following

**FINAL DECISION AND ORDER**

The Board finds Chelan County Resolution No. 93-143 is not in compliance with either the planning goals of RCW36.70A.020 or the requirements of RCW 36.70A.110.

The Board therefore remands Resolution No. 93-143 to Chelan County for further consideration

and revision, or repeal to bring it into compliance with the requirements of the Growth Management Act by September 1, 1994.

SO ORDERED this \_\_\_\_\_ day of July, 1994.

**EASTERN WASHINGTON  
GROWTH PLANNING HEARINGS BOARD**

---

Graham Tollefson, Presiding Officer

---

Judy Wall, Board Member

---

Tom A. Williams, Board Member

---

[FN1](#)

Exhibit OO was prepared by the Chelan County Planning Department and notes that the population figures for the County as a whole were prepared by OFM.

[FN2](#)

As the Board found in Finding of Fact No. 10, the definition of an IUGA differs from an Urban Growth Area only in that it is not necessarily final. For that matter, an Urban Growth Area may be modified yearly.

[FN3](#)

What impact the "Snowcreek" development will have is vague. There is reference in the record to 1500 potential water hook-ups, which, if true, would approximately double the current water system